

GENERAL PLAN HOUSING ELEMENT

City of Dixon, California

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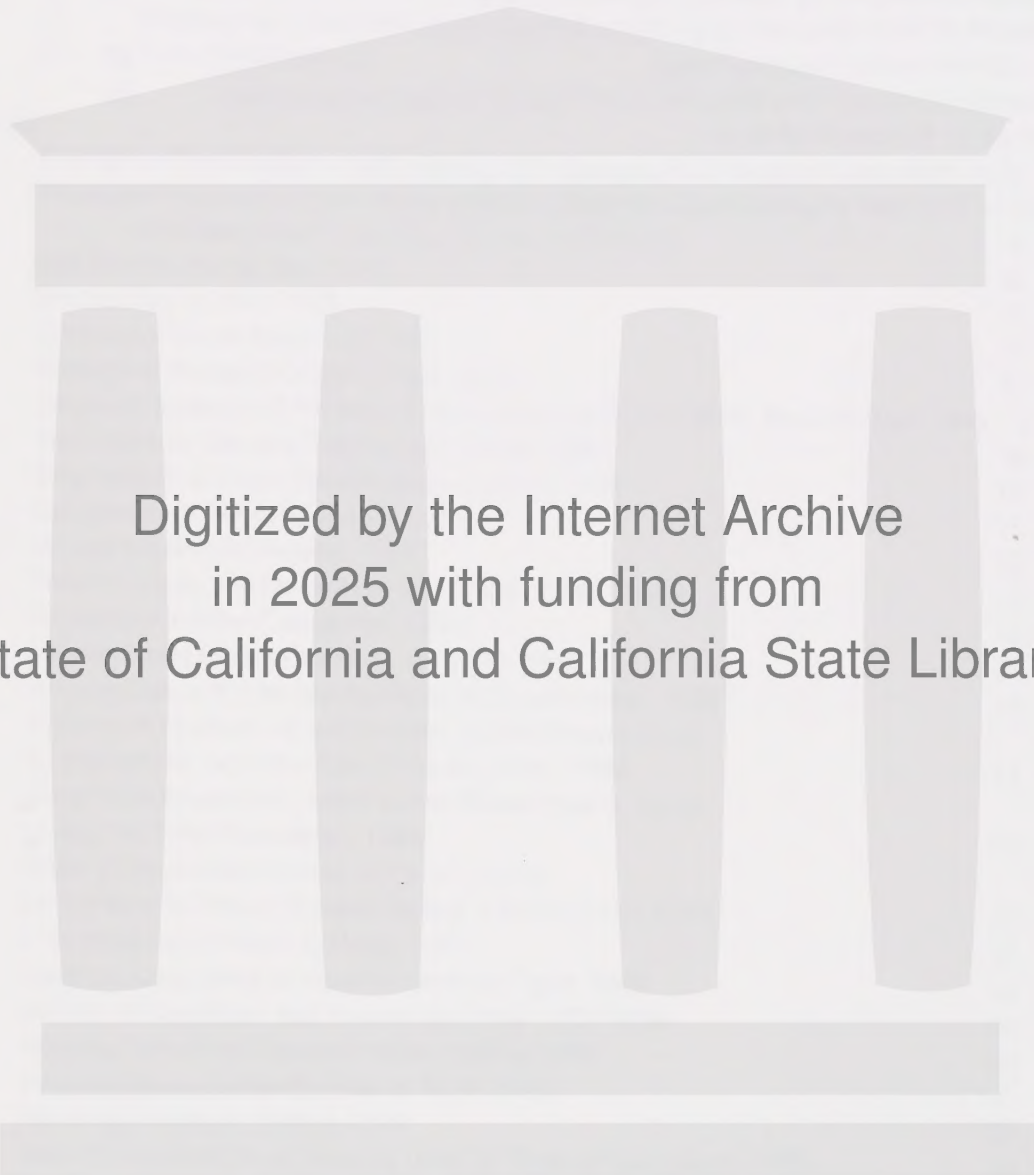
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I. INTRODUCTION AND SUMMARY

A. INTENT AND PURPOSE

Housing has been and will continue to be one of the basic needs that must be provided within the community of Dixon. The purpose of the Housing Element is to ensure that the housing needs of all economic segments of the community are adequately provided for. The Dixon Housing Element has been designed to address the above purpose and has been prepared to conform to the requirements of State law (Article 10.6 of the Government Code, Sections 65580 through 65589.8).

State law requires that a housing element consist of an identification and analysis of existing and projected housing needs with a statement of goals, policies, quantified objectives and scheduled programs for the preservation, improvement and development of housing. It also requires that housing elements be reviewed and revised at least every five years. As discussed below however, the time frames for revisions and the projections for future housing production needs have been extended several times over the past decade, such that a strict five-year planning and analysis period is not feasible.

This Housing Element addresses Dixon's quantitative housing development and program goals for the periods 1990-1995. Specific objectives are defined for the years 1995, which will identify the City's efforts and ability to meet the regional housing needs defined by the Association of Bay Area Governments (ABAG), the regional agency which has this responsibility. It should be noted that the 1995 needs projections were made retroactive to 1988 for jurisdictions in the Solano County. Furthermore, the State Legislature and the Department of Housing and Community Development (HCD) has extended the planning period of Housing Elements from 1995 to 1997, due to the depressed housing market statewide. This also anticipates a delay of two years before new needs projections are available. Therefore housing produced from 1988 through the end of 1997 will be considered, for the purpose of the analysis in this Element, to meet the projected 1990 - 1995 need. There is presumed to be additional need not yet documented for the period 1995 - 1997; quantified objectives in Chapter 4 exceed the 1995 needs in order to compensate for this. However, no attempt is made to specifically quantify additional need, since this role is by law, the purview of ABAG and HCD.

B. SUMMARY OF KEY HOUSING ISSUES AND CONCERNS

The City of Dixon is an incorporated city located in Solano County, California, with an estimated January 1994 population of about 12,450 persons. Dixon is located just south of Interstate 80, 20 miles southwest of Sacramento and 22 miles northeast of Fairfield, the County seat, and historically has served as an agricultural center. However, in the past decade, Dixon has become a highly desirable place of residence for persons working in non-agricultural sectors of the economy, who commute to the Sacramento and San Francisco metropolitan areas. To meet this demand, relatively rapid residential growth and development has occurred in Dixon. The extent to which housing is capable of being developed to satisfy unmet needs in Dixon is greatly affected by the following factors:

- 1) Dixon's location within the Bay Area (defined by the nine counties which border on San Francisco Bay), its proximity to the Sacramento metropolitan area (including the major university community of Davis), the relatively lower cost of residential development and land in Solano County, as opposed to Davis and the Bay Area, and the proximity to Interstate 80, are primary reasons for high demand for housing within Dixon. These urban areas to the west and east of Dixon are characterized by major employment centers and many amenities that attract people to them, but also by high housing

costs, higher crime rates and other undesirable aspects of urban life, including traffic congestion, reduced open space or residential lot sizes, and often inadequate schools. By contrast, Dixon generally has lower housing costs, and lower levels of crime, congestion and crowding than these nearby larger cities.

2) While the demand for homes in Dixon, combined with the costs of providing necessary expansions in infrastructure and services has caused the price of homes in Dixon to rise in recent years, a great deal of housing affordable to lower and moderate income households has nevertheless been built in the years covered by this Element's analysis. This has largely been the result of increases in the median income of Solano County households over the time period examined.

3) Long-time Dixon residents, as well as newer residents, are anxious to retain the small-town qualities that attracted them to Dixon, but new housing development has often replicated the character of larger communities, such as lot sizes, strained infrastructure and services, and uniform, relatively homogeneous housing developments. Concerns about the negative impacts of too-rapid growth on the communities character and "quality of Life" are the same as those faced by communities statewide. In an effort to balance these legitimate concerns with the need to provide for adequate, affordable housing, Dixon residents voted to adopt a growth management policy, Measure B, in 1986. Measure B is evaluated in later sections of this Element; in general, it restricts growth to 3% annually, *but contains provisions that have and will continue to allow for adequate housing development, including exemptions for affordable housing*. As will be shown, Measure B has not been a factor in restricting new housing production in Dixon and is not expected to be a future constraint.

C. FORMAT OF THE HOUSING ELEMENT

The Dixon Housing Element consists of three main sections following this introductory chapter, each of which addresses a major subject area. Chapter II provides an inventory of current population, household, and housing characteristics, and a detailed analysis of the way in which these conditions define the housing needs of Dixon's residents. The discussion of each topic evaluated also includes references to policies and programs of the Housing Element which relate to the needs which have been identified. The chapter also demonstrates the amount of housing produced or provided since 1988, that is affordable to lower and moderate income households in Dixon, thereby satisfying significant portions of the projected housing needs for the 1988 to 1995 planning period.

Chapter III presents a discussion of housing opportunities and constraints — those factors which serve either to promote, or to obstruct housing development and preservation. Opportunities include existing governmental programs that promote affordable housing, and the availability of a supply of land for future residential growth. Constraints include both governmental and market constraints to the production of affordable housing, and how these factors serve to reduce housing opportunities.

Chapter IV presents a list of goals, objectives, policies and housing programs necessary to address the housing needs of current and future residents. While goal and policy statements are general in nature, the housing programs spell out the specific actions necessary to achieve the goal and policy statements adopted in principle. The focus here is on specific actions and programs that are aimed at achieving the attainment of the City's affordable housing needs over the remainder of the planning period, as recently extended by the Legislature (1995-1997). The discussion will quantify the attainment of the City's projected needs through 1994 and the remaining need to be met from 1995 through 1997. The City's ability to meet housing needs beyond 1997, due to the availability of land discussed in Chapter III, will also be considered.

Chapter V addresses the process followed and conclusions drawn during the Housing Element update program. This includes a discussion of provisions for public participation in the update process, the

appropriateness and effectiveness of the previously prepared Housing Element (adopted in 1981), and the City's progress in implementing the goals and policies of the previous Element.

The Appendices include A) definitions of Housing Element terms; B) a listing of developments approved and constructed in the City since 1988, the sales price or rent levels and the number of units in each that are affordable to each income group; C) a rental survey of existing apartment developments in Dixon; D), the methodology used to calculate "overpayment" for housing; and E) the text of Measure B, adopted by Dixon voters in 1986 to manage annual growth in residential construction. The Appendices reference information throughout the Housing Element. Appendix E) provides the full text of Measure B, which is discussed in Chapters II and III of the Housing Element.

II. HOUSING NEEDS ASSESSMENT

A. POPULATION TRENDS

1. Population Growth

Dixon has experienced a steady growth in population over the past ten to twenty years. This population increase has been principally due to the job- and commuter-related growth associated with industrial and commercial development along the Interstate Highway 80 (I-80) corridor. In addition, housing prices in Dixon have been comparatively attractive in relation to other competing areas in the region, and the city's amenities, location and ease of access to I-80 have made it a convenient community in which to live and from which to commute to employment centers and recreational facilities in the region. The first section of this Chapter describes the population characteristics and growth of Dixon in the regional context, and economic trends will be discussed in the following section.

Population in the City of Dixon increased from 4,432 in 1970 to 7,541 in 1980, representing a 70 percent increase or an approximate average annual growth rate of about 5.5 percent. During the 1980s the overall population increase was similar, with about 3,000 new persons added to the city, resulting in a total population of about 10,400 by 1990. Compared to the 1970s, the ten-year percentage increase in the 1980s was lower, at 37.9 percent, or about 3.5 percent per year. In comparison, Solano County as a whole experienced a population increase between 1980 and 1990 of 44.7 percent, or an average annual growth rate of about 3.8 percent. More rapid growth has occurred during the 1980s in Vacaville (64.8 percent) and in the adjoining cities of Fairfield and Suisun City, which had a combined population increase of 44.6 percent. Approximately half of the county-wide population in 1990 resided in these rapidly growing cities in central Solano County.

Figure 1 compares regional growth rates between 1980 and 1990. In 1980, the City of Dixon accounted for approximately 3.2 percent of the County's population. By 1990, that proportion had decreased slightly to 3.0 percent, according to the U.S. Census.

The Association of Bay Area Governments (ABAG), in its latest set of regional projections (Projections '94), has estimated that the City of Dixon will grow at a similar rate – about 42 percent – during the 1990s, and then slow noticeably to about 18.5 percent from 2000 to 2010 (see **Figure 2**). These increases represent average annual growth rates of about 3.6 and 1.7 percent, respectively. Solano County will continue to grow rapidly over this time period, and is projected to have the highest job and population growth rates in percentage terms among all of the Bay Area counties, with the bulk of growth expected to be concentrated mostly in the Fairfield and Vacaville areas. The actual numerical increase in population will be higher in other Bay Area counties, particularly in Santa Clara County (with about 337,800 new residents), compared to Solano County (with about 206,400 new residents). ABAG projections indicate that about 7,260 persons will be added to Dixon's population between 1990 and 2010, constituting approximately 3.5 percent of the County's population growth in that time period. This indicates that the projected increment in population in Dixon over this time period will be somewhat larger than those in the prior twenty-year period, and that Dixon's share of overall County population will not deviate significantly from the 1980-90 levels.

Figure 1

POPULATION GROWTH TRENDS IN DIXON, SOLANO COUNTY AND CALIFORNIA: 1970-1990

City of Dixon, California

	<u>1970</u>	<u>1970-80</u> <u>1975</u>	<u>1980</u>	<u>1980-90</u> <u>1985</u>	<u>1990</u>	<u>Change</u>	<u>Change</u>
City of Dixon	4,432	4,800	7,541	9,490	10,401	70.2%	37.9%
Solano County	171,989	185,700	235,203	269,091	340,421	36.8%	44.7%
California	19,971,069	21,520,000	23,545,061	25,857,464	29,760,021	17.9%	26.4%

Source: U.S. Census, 1970, 1980 and 1990 (Data for April 1st of each year); and California State Department of Finance, Special Census, 1975, and Summary Report E-5, 1985 (data for January 1st of each year).

Figure 2

PROJECTED POPULATION, HOUSEHOLDS AND EMPLOYMENT IN DIXON SPHERE OF INFLUENCE AND IN SOLANO COUNTY: 1990 - 2010

City Of Dixon, California

	<u>Dixon Sphere of Influence</u>				<u>Solano County</u>		
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	
Total Population	10,638	15,100	17,900	340,421	454,700	546,800	
Household Population	10,596	15,000	17,800	326,662	440,100	529,900	
Households	3,490	4,650	5,740	113,429	144,860	179,590	
Persons/Household	3.04	3.23	3.10	2.88	3.04	2.94	
Total Local Jobs	3,600	4,780	6,870	119,440	140,480	194,760	
Jobs/Household Ratio	1.03	1.02	1.19	1.04	0.97	1.08	

Source: ABAG, Projections 94, 1994.

The projections prepared by ABAG take into account information collected from local governments throughout the San Francisco Bay Area regarding the availability of land for new development to accommodate housing and employment opportunities. The fact that local General Plans and development policies and regulations comprise some of the data on which the projections are based is intended to result in general consistency between the local factors and the regional projections. Subsequent changes in local development policies adopted after the ABAG projections were prepared would, of course, result in possible inconsistencies. ABAG periodically updates its projections to incorporate and reflect changes in local government policies and land availability data, as well as more current information on changing local, regional, state and national population and employment trends.

2. Age Characteristics

The age distribution of Dixon's population changed between 1980 and 1990, with a moderate decrease in children and a slight increase in elderly citizens (over age 64), as percentage shares of total population. In 1990, 34 percent of the total population was under 20 years of age, compared to 38 percent in 1980, while 7.7 percent of the population was over 64 years of age in 1990, as compared to 6.7 percent in 1980. The overall distribution of Dixon residents by age groups is presented in **Figure 3**. In 1990, the median age in Dixon (30.7 years) was very close to that of the County as a whole (31.0 years) as shown in **Figure 4**.

Figure 3

AGE DISTRIBUTION BY SEX: 1990 City of Dixon, California

<u>Age</u>	<u>Number</u>	<u>Percent</u>	<u>Male</u>	<u>Female</u>
0-9	1,917	18.5	1,008	909
10-19	1,610	15.4	790	820
20-29	1,534	14.8	812	722
30-44	2,940	28.2	1,458	1,482
45-54	926	8.9	469	457
55-64	672	6.5	340	332
65+	<u>802</u>	<u>7.7</u>	<u>330</u>	<u>472</u>
- TOTAL:	10,401	100.0	5,207	5,194

Source: U.S. Census, 1990.

3. Ethnicity

Census figures on ethnicity for 1990 are presented in **Figure 5**, and as shown, the majority of Dixon's population is non-Hispanic white (67.2 percent), with persons of Hispanic origin comprising the second largest ethnic group (28.0 percent). Estimates of persons of Hispanic origin by age are presented in **Figure 6**. Data on persons defined as linguistically isolated, who do not speak English well or at all are presented in **Figure 7**.

Figure 4

MEDIAN AGE BY SEX: 1990

City of Dixon, California

	<u>Population</u>	<u>Male</u>	<u>Female</u>	<u>Median Age</u>	<u>Median Age Male</u>	<u>Median Age Female</u>
Dixon	10,401	5,207	5,194	30.7	29.9	31.4
Solano County	340,421	174,367	166,054	31.0	30.2	31.8

Source: U.S. Census, 1990.

Figure 5

ETHNICITY OF DIXON RESIDENTS: 1990

City of Dixon, California

<u>Race</u>	<u>Number</u>	<u>Percent of Total Population</u>
White, Non-Hispanic Origin	6,990	67.2
Hispanic Origin	1,471	14.1
Black, Non-Hispanic Origin	186	1.8
Hispanic Origin	5	*
Native American Eskimo/Aleut, Non-Hispanic Origin	30	0.3
Hispanic Origin	9	*
Other Hispanic Origin	1,435	13.9
Asian or Pacific Islander	275	2.7
Other Non-Hispanic Races	<u>0</u>	<u>0.0</u>
TOTAL HISPANIC ORIGIN:	2,920	28.0
TOTAL ALL RESIDENTS:	10,401	100.0

Source: U.S. Census, 1990

* Note: less than 0.001 percent

Figure 6

PERSONS OF HISPANIC ORIGIN BY AGE: 1990

City of Dixon, California

	<u>Total</u> <u>All Ages</u>	<u>Under</u> <u>5 Years</u>	<u>5-17</u> <u>Years</u>	<u>18-64</u> <u>Years</u>	<u>65 Years</u> <u>and Over</u>
Total	2,920	337	740	1,759	84
Percent Distr.	100.0	11.5	25.4	60.2	2.9

Source: U.S. Census, 1990. (P-119 & P-120).

Figure 7

**LINGUISTIC ISOLATION OF PERSONS IN HOUSEHOLDS
OF FIVE OR MORE YEARS OF AGE: 1990**

City of Dixon, California

<u>Minimal English Speaking Ability</u> <u>Language</u>	<u>5-17</u> <u>Years</u>	<u>18-64</u> <u>Years</u>	<u>65 Years</u> <u>and Over</u>	<u>Total</u> <u>Over Age 5</u>
Speaking Spanish at Home	98	492	47	637
Speaking Asian or Pac. Is. at Home	0	25	0	25
Speaking Other Language at Home	0	25	8	6
TOTAL:	98	542	55	668

Source: U.S. Census, 1990.

B. ECONOMIC TRENDS

1. Employment

Census data indicate that in 1990 a total of 4,805 Dixon residents over the age of 16 were employed, 438 were unemployed and 2,197 were not in the labor force. Employment characteristics for Dixon residents are presented in **Figure 8**.

Figure 8 shows an overall unemployment rate of 8.4 percent, with rates of 5.9 percent for males and 11.0 percent for females. This represents a dramatic decrease from the 1980 unemployment rate of 11.8 percent for males, 18.8 percent for females, and an overall rate of 14.7 percent.

Figure 8

POPULATION BY SEX AND EMPLOYMENT STATUS: 1990
City of Dixon, California

Employment Status (Persons Age 16+)	MALES		FEMALES		TOTAL	
	Number	%	Number	%	Number	%
Employed	2,737	73.8	2,068	54.5	4,805	64.0
Unemployed	<u>171</u>	<u>4.6</u>	<u>267</u>	<u>7.0</u>	<u>438</u>	<u>5.8</u>
SUB-TOTAL						
In Civilian Work Force	2,908	78.4	2,335	61.5	5,243	69.8
In Armed Forces	54	1.5	11	0.3	65	0.9
Not in Labor Force	<u>746</u>	<u>20.1</u>	<u>1,451</u>	<u>38.2</u>	<u>2,197</u>	<u>29.3</u>
TOTAL:	3,708	100.0	3,797	100.0	7,505	100.0
Percent Total Population		49.4%		50.6%		100.0%
Total in Labor Force (including Armed Forces & Unemployed)		55.8%		44.2%		100.0%
Civilian Unemployment Rate:		5.9%		11.0%		8.4%

Source: U.S. Census, 1990.

Retail trade, education, and nondurable goods industries (food and other agricultural products) account for the bulk of jobs held by Dixon residents. Census data for 1990 provide a breakdown of the employment of Dixon residents by type of industry, and these are shown in **Figure 9**. **Figure 10** presents data on the occupational characteristics of employed Dixon residents.

According to ABAG, the ratio of jobs per household in 1990 was approximately the same in Dixon (1.03) as in Solano county as a whole (1.04) (see **Figure 2**). Between 1990 and 2000, ABAG indicates in its report Projections '94, that jobs in the Dixon Sphere of Influence (SOI) will increase by about 33 percent (1,180 new jobs), about the same rate as that projected for increases in households (1,160 new households). During the next decade, between 2000 and 2010, growth in jobs in the Dixon SOI is projected to accelerate, increasing by about 44 percent (2,090 new jobs), outpacing a 23 percent increase in households (1,090 new households). The result is that by 2000, the ratio of jobs to households in Dixon will be about 1.02 (down from 1.03 in 1990), increasing by 2010 to 1.19. By comparison, the increase in job and household growth in the county overall between 1990 and 2000, is projected at about 17 and 28 percent, respectively, with a resulting jobs to household ratio of 0.97, decreased from the 1.04 ratio in 1990. However, in the following decade jobs are expected to increase county-wide faster than the number of households, by 39 and 24 percent respectively, with a resulting jobs to household ratio of 1.08 by the year 2010.

Figure 9

EMPLOYMENT OF DIXON RESIDENTS BY INDUSTRY: 1990

City of Dixon, California

<u>Industry</u>	<u>Persons Employed</u>	<u>Percent</u>
Agricultural, Forestry, Fisheries, Mining	337	7.0
Construction	349	7.3
Nondurable Goods, Manufacturing	406	8.4
Durable Goods, Manufacturing	197	4.0
Transportation	254	5.3
Communication and Other Public Utilities	128	2.7
Wholesale Trade	151	3.1
Retail Trade	1,057	22.0
Finance, Insurance, Real Estate	265	5.5
Business and Repair Services	101	2.1
Personal, Entertainment, Recreation Services	77	1.6
Health Services	310	6.5
Educational Services	593	12.3
Other Professional and Related Services	234	4.9
Public Administration	<u>346</u>	<u>7.2</u>
TOTAL:	4,805	100.0

Source: U.S. Census, 1990.

Figure 10

OCCUPATION OF DIXON RESIDENTS: 1990

City of Dixon, California

<u>Occupation</u>	<u>Number</u>	<u>Percent</u>
Executive, Administrative, Managerial	602	12.5
Professional Specialty	498	10.4
Technicians and Related Support	242	5.0
Sales	541	11.3
Administrative Support, including Clerical	750	15.6
Private Household	0	--
Protective Service	100	2.1
Other Service	481	10.0
Farming, Forestry and Fishing	254	5.3
Precision Production, Craft and Repair Services	624	13.0
Machine Operators, Assemblers and Inspectors	248	5.2
Transportation and Material Moving	194	4.0
Handlers, Helpers and Laborers	<u>271</u>	<u>5.6</u>
TOTAL:	4,805	100.0

Source: U.S. Census, 1990

2. Median Income

Household income is a determining factor of housing affordability. Median household income for Dixon was \$36,710 in 1990. **Figure 11** shows household income distribution for Dixon residents, according to the 1990 U.S. Census.

3. Income Level

The U.S. Department of Housing and Urban Development (HUD) defines two income categories, "low" and "very-low" income, for the purpose of identifying income thresholds for families or persons for housing subsidy programs, such as Section 8 housing assistance and other public housing programs. These HUD "income limits", together with two additional income categories identified by the California Department of Housing and Community Development (HCD), "moderate" and "above-moderate" income, are utilized to classify housing need for each region of the state, such as the nine-county Bay Area, as described below:

Very Low:	0 - 50% of County Median Family Income
Low:	> 50 - 80% of County Median Family Income
Moderate:	> 80 - 120% of County Median Family Income
Above Moderate:	> 120% of County Median Family Income

Figure 11

ANNUAL HOUSEHOLD INCOME: 1989

City of Dixon, California

<u>Income Level</u>	<u>Number of Households</u>	<u>Percent of Total City Households</u>
Less than \$ 5,000	64	1.9
\$ 5,000 - \$ 9,999	170	5.1
\$10,000 - \$14,999	154	4.5
\$15,000 - \$19,999	308	9.1
\$20,000 - \$24,999	220	6.4
\$25,000 - \$29,999	326	9.7
\$30,000 - \$34,999	319	9.4
\$35,000 - \$39,999	299	8.9
\$40,000 - \$44,999	275	8.1
\$45,000 - \$49,999	241	7.2
\$50,000 - \$54,999	229	6.7
\$55,000 - \$59,999	125	3.7
\$60,000 - \$74,499	314	9.2
\$75,000 - \$99,999	219	6.5
\$100,000 or more	<u>123</u>	<u>3.6</u>
TOTAL:	3,386	100.0%

Source: U.S. Census, 1990.

The median family income for each metropolitan area in the state is periodically defined by HUD in specific dollar terms according to the number of persons in the family. In January 1995, HUD defined the median family income for a 4-person family in Solano county at \$47,800 per year. The following table (Figure 11A) shows the change in the median income since 1988:

Figure 11A

SOLANO COUNTY MEDIAN HOUSEHOLD INCOME 1988 - 1995

1988	1989	1990	1991	1992	1993	1994	1995
\$36,700	\$38,500	\$40,400	\$42,200	\$42,200	\$46,800	\$47,600	\$47,800

These median family income figures provide the basis for HUD calculations on the affordability of housing, and are utilized by HCD to determine regional housing need among the four income levels defined above, as directed by state housing law (Health and Safety Code Section 50093), for the Association of Bay Area Governments (ABAG) and other regional agencies.

For the purpose of defining income categories, ABAG does not distinguish between "Household Income" and "Family Income." Estimates of the distribution of Dixon *households* among the four identified income categories is shown in Figure 12, using 1990 Census data. As indicated in Figure 12, Dixon households

are fairly evenly distributed among the four categories. Almost one-half (44.1 percent) of the total households fall in the "very low" and "low" income categories.

4. Poverty Status

Figure 13 shows income limits defined by the U.S. Department of Housing and Urban Development (HUD) in ~~May~~ January of 1995 to determine the eligibility of households in Solano county for housing assistance. The 1990 Census also provides data on the poverty status of Dixon residents and these data are presented in **Figures 14** through **17**.

Figure 12

HOUSEHOLD INCOME CATEGORIES: 1990

City of Dixon, California

<u>Income Category (based on County Median*)</u>	<u>Income Range</u>	<u>Number of Households</u>	<u>Percent of Households</u>
Very Low Income (0-50%)	\$0 - \$21,099	757	22.4%
Low Income (>50-80%)	\$21,100 - \$33,749	735	21.7%
Moderate Income (>80-120%)	\$33,750 - \$50,649	914	27.0%
Above Moderate Income (>120%)	\$50,650+	980	28.9%
TOTAL:		3,386	100.0%

Source: U.S. Census, 1990; some income categories pro-rated.

* Categorized in relation to \$42,200 - median income for 4-person family.

Figure 13

INCOME LIMITS DEFINED BY HUD: JANUARY, 1995

Solano County, California

<u>Size of Family Unit</u>	<u>Very Low Income</u>	<u>Lower Income</u>	<u>Median Income</u>	<u>Moderate Income</u>
1 person	\$16,750	\$26,750	\$33,450	\$40,150
2 persons	19,100	30,600	38,250	45,900
3 persons	21,500	34,400	43,000	51,600
4 persons	23,900	38,250	47,800	57,350
5 persons	25,800	41,300	51,600	61,950
6 persons	27,700	44,350	55,450	66,550
7 persons	29,650	47,400	59,250	71,100
8 persons	31,550	50,500	63,100	75,700

Source: U.S. Dept. of Housing and Urban Development, January, 1995

Figure 14

POVERTY STATUS OF FAMILIES BY RACE OF HOUSEHOLDERS: 1989

City of Dixon, California

	<u>White</u>	<u>Black</u>	<u>American Indian, Eskimo or Aleut</u>	<u>Asian or Pacific Islander</u>	<u>Other Races</u>	<u>Total</u>	<u>Hispanic Origin*</u>
Above Poverty Level	2,197	49	28	45	300	2,619	588
Below Poverty Level	<u>86</u>	<u>17</u>	<u>0</u>	<u>15</u>	<u>23</u>	<u>141</u>	<u>50</u>
Total Families	2,283	66	28	60	323	2,760	638
Percent of all Family Households Below Poverty Level	61.0%	12.1%	--	10.6%	16.3%	100.0%	35.5%

Source: U.S. Census, 1990.

* Note: Some family households of Hispanic origin are also included in other racial categories

Figure 15

PERSONS IN HOUSEHOLDS WITH INCOME BELOW

POVERTY LEVEL BY HOUSEHOLD TYPE AND AGE OF HOUSEHOLDER: 1989

City of Dixon, California

<u>TYPE OF HOUSEHOLD</u>	<u>Persons 15-64 years of age</u>	<u>Persons 65+ years of age</u>	<u>Total Persons</u>
<u>Persons in Families</u>			
Non-Related Persons	67	0	67
Related Persons			
Married Couple	238	7	245
Male Only Householder	50	0	50
Female Only Householder	<u>238</u>	<u>0</u>	<u>238</u>
SUBTOTAL: FAMILIES	593	7	600
<u>Persons in Non-Families</u>			
Householder Living Alone	24	21	45
Householder Not Living Alone	0	0	0
Non-Relatives	<u>42</u>	<u>0</u>	<u>42</u>
SUBTOTAL: NON-FAMILIES	66	21	87
 TOTAL PERSONS BELOW POVERTY LEVEL	 659	 28	 687

Source: U.S. Census, 1990.

II. HOUSING NEEDS ASSESSMENT

Figure 16

**PERSONS IN HOUSEHOLDS WITH INCOME BELOW
POVERTY LEVEL BY AGE FOR TOTAL POPULATION: 1989**

City of Dixon, California

<u>Age Group</u>	<u>Above Poverty</u>	<u>Below Poverty</u>	<u>Total Persons</u>
0 - 17	2,926	261	3,187
18 - 64	5,980	398	6,378
65 - 74	447	15	462
75+	<u>294</u>	<u>13</u>	<u>307</u>
TOTAL*	9,647	687	10,334

Source: U.S. Census, 1990. 1989 Poverty Level: \$6,451 per person; \$5,947 for persons age 65 and over.

* Note: Poverty Level not determined for 67 persons, including 40 persons in group quarters.

Figure 17

**RATIO OF HOUSEHOLD INCOME TO POVERTY LEVEL FOR PERSONS
FOR WHOM POVERTY STATUS IS DETERMINED: 1989**

City of Dixon, California

<u>Persons</u>	
Below 50% of Poverty Level	359
Between 50% and 74% of Poverty Level	120
Between 75% and 99% of Poverty Level	208
Between 100% and 124% of Poverty Level	443
Between 125% and 149% of Poverty Level	153
Between 150% and 174% of Poverty Level	425
Between 175% and 199% of Poverty Level	473
200% of Poverty Level and Above	8,153
TOTAL PERSONS	10,334

Source: U.S. Census, 1990. 1989 Poverty Level: \$6,451 per person; \$5,947 for persons age 65 and over.

The percentage of households who were below the poverty level in 1990 was lower in Dixon than in Solano County as a whole, except for households of Hispanic origin, as shown by the following 1990 U.S. Census data.

Percent of Households With Below Poverty Level Income Status: 1990

	<u>Total Families</u>	<u>Non-Hispanic</u>	<u>Hispanic Origin</u>
Dixon	5.1%	3.3%	1.8%
Solano County	5.9%	5.0%	0.9%

5. Level of Payment Compared With Ability to Pay

"Overpayment" is generally defined as paying more than 30 percent of income for rent or more than 35% for home ownership costs. It should be noted that the figure for ownership has recently been adjusted by State law to reflect this higher proportion, since this is more in keeping with the willingness of most households to sacrifice other purchasing ability for the benefits of homeownership. Since low-income households experience comparatively greater hardships due to overpayment, their housing costs are of particular concern. For purposes of this Housing Element, households with annual incomes of 80 percent of the Solano County median income as determined in the years 1990 - 1994 or less are considered "lower-income".

State Department of Housing and Community Development guidelines have been used to calculate the number of lower-income renter and owner households that are overpaying, based on information from the 1990 U.S. Census (see **Appendix D**). The analysis of 1990 Census data in **Appendix D** found that of the 1,141 renter households in Dixon in 1990, 640 had annual incomes of \$29,368 or less (i.e., lower-income renter households with 80% or less of the 1990 Census median for the City of Dixon), and that 325 of these were spending more than 30 percent of their income on housing (the incidence of overpayment was not determined for an additional 50 low-income renter households). These 325 households represent 29.8 percent of all renter households (all income levels, including those with more than 80 percent of median income), and 91.3 percent of the 356 renter households which are overpaying for housing rent in the city of Dixon. The Census data also indicated that of the 501 renter households with incomes *above* \$29,368, only 31 households were overpaying for housing, or 8.7 percent of all overpaying households.

The U.S. Census provided income data on 2,148 homeownership households in Dixon, and determined overpayment for 2,122 of these households (overpayment was not determined for 26 lower-income owner households). Of these 2,148 homeownership households, 556 had annual incomes below \$29,368, and 212 of these lower-income home-owner households were found to be spending more than 35 percent of their income on housing. The analysis confirms that overpayment is more prevalent among lower-income renter households than among lower-income owner households. In addition, among households earning more than 80 percent of median income, overpayment is more prevalent among owner households than among renter households. However, the generally smaller proportion of overpaying lower-income homeowner households reflects the fact that, due to the high costs of home ownership (particularly the down payment entry costs), the majority of lower-income households are renters rather than owners, and that there were almost twice as many owner-occupied units as renter-occupied units in Dixon in 1990.

C. **HOUSING CHARACTERISTICS**

1. Household Size

The median size of household in Dixon decreased between 1970 and 1990, according to the U.S. Census, from 3.30 persons per household (pph) in 1970, to 3.10 in 1980, and to 3.06 pph by 1990. Although the median household size rose slightly in 1985 to 3.15 according to State Department of Finance estimates, the overall trend has been toward smaller households. Out of the total of 3,386 households in Dixon in 1990, 492 (or 14.5 percent of total households) were headed by single persons.

Overcrowded housing is defined as housing units with more than 1.01 persons per room. According to the 1990 Census, a total of 322 occupied housing units were overcrowded, representing 9.5 percent of the total occupied units in Dixon, as shown in **Figure 18**. The incidence of overcrowding was more apparent in renter-occupied units, which accounted for 229 overcrowded units, or 71 percent of all overcrowded units in Dixon. One fifth of all rental units were overcrowded, compared with only 4 percent of owner-occupied units, which demonstrates a need for more rental units with a higher number of bedrooms. However, overcrowding may also occur when two or more households share a single dwelling unit, usually as a way of reducing their housing costs. The extent of such sharing is not indicated in Census data, but this factor, if present, would be an expression of a need for lower-priced housing in general, rather than a need specifically for larger units (renter- or owner-occupancy).

Figure 18

OVERCROWDING OF HOUSING UNITS: 1990

City of Dixon, California

	<u>Owner-Occupied Units</u>		<u>Renter-Occupied Units</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1.00 or less	2,170	95.9	912	79.9
1.01 - 1.50	55	2.4	88	7.7
1.51 or more	<u>38</u>	<u>1.7</u>	<u>141</u>	<u>12.4</u>
TOTAL:	2,263	100.0	1,141	100.0

Source: U.S. Census, 1990.

2. Existing Dwelling Units

Dixon is a small town in a rural area, and the majority of its housing units are single-family, detached homes, comprising 2,632 units or 74.8 percent of the 3,555 units which represented the total housing stock in 1990. The remaining 923 dwelling units (25.2 percent of the total) included 169 units in attached single-family structures (4.6 percent), 328 units in two- to four-unit multiple-family structures (9.4 percent), 365 units in multiple-family structures with five or more units (9.5 percent), and 61 mobile homes or other types of units (1.7 percent). **Figure 19** presents the number, type, and vacancy/occupancy characteristics of residential units located within Dixon at the time of the 1990 Census.

Figure 19

VACANCY/OCCUPANCY OF HOUSING UNITS BY TYPE: 1990 City of Dixon, California

<u>Type of Housing Unit</u>	<u>Housing Units</u>			<u>Vacancy Rate</u>
	<u>Occupied Units</u>	<u>Vacant Units</u>	<u>All Units</u>	
Detached Single-Family	2,547	85	2,632	3.2
Attached Single-Family	157	12	169	7.1
2-4 Units/Multi-Family Structure	321	7	328	2.1
5 or More Units/Multi-Family Structure	318	47	365	12.9
Mobile Home	36	0	36	0.0
Other	<u>25</u>	<u>0</u>	<u>25</u>	<u>0.0</u>
TOTALS FOR CITY:	3,404	151	3,555	4.2%

Source: U.S. Census, 1990.

It is significant that the housing type with the highest vacancy rate was in units in multiple family structures with five or more units, which may indicate a relatively low market demand for such units, or a possible surplus of such units relative to the number of households who were able to afford the units available. In contrast, the lowest vacancy rate was among multiple family units in buildings with two to four units, indicating a probable scarcity of such units. However, it is not possible to identify market conditions accurately from these Census data.

During the ten-year period between 1980 and 1990, the City experienced an increase in total housing units of approximately 30.2 percent, for an average annual growth rate in new housing units over the period of about 3 percent. The rate of growth was more rapid during the first half of the decade (19.9 percent) than during the second half (8.6 percent). During the period 1975-1980, by contrast, the number of housing units in Dixon increased by 58.5 percent. Although the percentage increases in dwelling units have been smaller in more recent years since 1980, the actual number of new dwelling units constructed each year in Dixon has risen in steady increments. However, the overall rate of new housing construction has been slower than population growth, as shown in **Figure 20**, although this disparity was more pronounced in the period 1980-1985 than in the period 1985-1990.

Figure 20

GROWTH IN POPULATION AND HOUSING UNITS: 1970-1994

City of Dixon, California

YEARS	POPULATION		HOUSING UNITS	
	Number	Percent Increase During Previous Five-year Period	Number	Percent Increase During Previous Five-year Period
1970	4,432	N.A.	1,408	N.A.
1975	4,800	8.3	1,650	17.2
1980	7,541	57.1	2,615	58.5
1985	9,490	25.8	3,135	19.9
1990	10,401	9.6	3,555	13.4
1994	12,450	19.7 (4 yrs.)	4,102	15.4 (4 yrs.)

Sources U.S. Census, 1970, 1980, 1990 (Data for April 1st of each year); and California State Department of Finance, Special Census, 1975, and Summary Reports E-5, 1985 and 1994 (data for January 1st of each year).

N.A. - Not Applicable

3. Housing Tenure

Tenure refers to the form of occupancy of housing units (i.e. owner-occupancy versus renter occupancy). As shown in **Figure 21**, the ratio of owners to renters within the City appears to have decreased somewhat between 1980 and 1990. Census figures show that the proportion of owner-occupied housing units decreased from 70.8 percent in 1980 to 66.5 percent in 1990. These figures may indicate an increase in the difficulty Dixon households may experience in purchasing a home, presumably due to higher costs of housing relative to income.

Figure 21

HOUSING TENURE OF OCCUPIED UNITS: 1980 & 1990

City of Dixon, California

	1980		1990	
	Number	Percent	Number	Percent
Owner-occupied units	1,717	70.8	2,263	66.5
Renter-occupied units	709	29.2	1,141	33.5
TOTAL - ALL OCCUPIED UNITS	2,426	100.0	3,404	100.0

Source: U.S. Census, 1980, 1990.

4. Housing Values and Rates

In common with most communities in California, the costs of owning or renting housing have increased dramatically in Dixon in recent years. According to U.S. Census data for the years 1980 and 1990, the median value of an owner-occupied housing unit within the City increased during this period from \$64,500 to \$140,600, or by about 218 percent. As of mid-June 1994, the price of new homes ranged from between \$140,000 to \$280,000, though the average selling price of a new single-family home was approximately \$175,000. (The median is somewhat lower, although the exact figure is not available. The survey of new home tracts and prices constructed since 1988 (**Appendix B**) demonstrates that a large number of new homes have sold for under \$160,000.) The average selling price of all single-family homes in Dixon, including both new and resale homes was somewhat lower at about \$154,000 (Source: Pat Alvestad, Century 21 Ace Realty, June, 1994).

According to U.S. Census data, median rents for all categories of rental units also increased during the 1980-1990 period, from \$202 in 1980 to \$579 in 1990, representing an increase of about 287 percent. In mid-1994, the typical rents for apartments (one to two bedrooms) in Dixon ranged from \$425 to \$700 per month. Rents for single-family homes (two to four bedrooms) ranged from \$750 to \$1,100 per month (Source: Pat Alvestad, Century 21 Ace Realty, June, 1994).

The City of Dixon's Building Inspection staff has provided a listing of all new home subdivisions and multifamily buildings and the number of units constructed in each, since 1988 (**Appendix B**). This listing also shows the number of bedrooms and square footage in each floorplan in each project, as well as sale prices for most. From this data and the historic household income data provided by HUD, it is possible to determine the number of units built in each year that sold or rented at affordable cost to lower and moderate income households. The City has also conducted a rental survey of all apartment complexes in the City in February of 1995 (**Appendix C**). As will be demonstrated below, a substantial number of units were constructed in recent years that sold or rented at affordable levels to moderate and lower income households.

5. Vacancy Rates

Vacancy rates constitute one measure of the health of the housing market in a community. The vacancy rate is the percentage of the total housing stock which is available for sale or rent at any one time. The U.S. Department of Housing and Urban Development has determined that five percent is a "healthy" vacancy rate for rental units, and considers two percent for ownership units to be an appropriate rate. Anything substantially less than this indicates a "tight" housing market, which can result in inflated housing values, as competition for the limited supply bids up the price of housing.

Figure 22 shows vacancy rates within Dixon for both rental and ownership housing as of 1990. As indicated in **Figure 22**, census figures show vacancy rates below the two percent level for rental and exactly at two percent (the HUD standard) for ownership units, indicating that Dixon was approaching a relatively tight overall housing market in 1990. More recent estimates published by the State Department of Finance indicate that, as of January 1, 1994, a total of 4,102 dwelling units existed in the city, and that the overall vacancy rate was 4.0 percent.

Figure 22

VACANCY RATE OF UNITS FOR SALE OR RENT: 1990

City of Dixon, California

	<u>Number</u>	<u>Percent</u>
Occupied Units	3,404	95.75
Vacant Units not for Sale or Rent	15	0.42
Vacant Units for Sale	71	2.00
Vacant Units for Rent	65	1.83
TOTAL UNITS	3,555	100.0
TOTAL VACANT UNITS	136	3.82

Source: U.S. Census, 1990.

6. Housing Condition

The City of Dixon conducted a housing condition "windshield" survey in March of 1984, and again during the summer of 1993, and the results of these surveys are presented in **Figure 23**. The windshield surveys categorized housing units based upon criteria developed by the State Department of Finance. The categories relate to the number, type and severity of defects. Of the 2,617 housing units existing in 1984, 192 were found to be deteriorating and in need of moderate repair, and 85 were found to be unsound, requiring either extensive repair, rebuilding or demolition. In 1993, 152 units were identified as deteriorated, while only 37 units were rated as unsound. These figures show a general abatement of deteriorated housing conditions. Although no units were identified as being of inadequate original construction in 1984, four such units were identified in 1993, which had been illegally converted from other structures. The City of Dixon is currently working with the property owners to bring these units into compliance with the Uniform Building Code. All of the deteriorated dwelling units are located in the older, central portion of the City, generally south of the downtown area.

Figure 24 provides information on the age of the Dixon housing stock and **Figure 25** shows the status of plumbing facilities as of 1990. **Figure 24** indicates that 1,126 units, or 31 percent of all units existing in Dixon at the time the Census was taken in 1990, had been built between 1970 and 1979. These units were slightly exceeded in number by those built between 1980 and March 1990, with 1,148 units, or 32 percent of total units. The remaining 1,281 units, about 36 percent of all units, had been built prior to 1970. Less than one-third of these (11 percent of all units) were more than 40 years old, having been built before 1950. Approximately half the units in the City have been built since 1975, and therefore the age of the housing stock is relatively young. This applies in a generally equal fashion both to owner- and to renter-occupied units, with the latter having a slightly younger median age than the former.

Figure 23

HOUSING CONDITION: 1984 & 1993
City of Dixon, California

Category	1984		Dwelling Units 1993	
	Number	Percent	Number	Percent
Sound	2,338	89.4	3,795	95.2
Deteriorating	192	7.3	152	3.8
Unsound	85	3.3	37	0.9
Inadequate Original Construction	0	0.0	4	0.1
TOTAL:	2,615	100.0	3,988	100.0

Source: City of Dixon Housing Condition Surveys, 1984 and 1993.

As shown in **Figure 25**, the adequacy of plumbing facilities in the Dixon housing stock is quite good, with a total of only 12 units in the City lacking complete plumbing for the exclusive use of their occupants. Only eight of these units are occupied, and all of these are rental units, representing about one-quarter of one percent of all occupied units in the city.

7. Dixon Redevelopment Agency

In 1986, the City adopted the Central Dixon Redevelopment Plan for a 596-acre area. The project area encompasses a combination of commercial and industrial land uses, as well as the residential area in which the Downtown core and adjacent older neighborhoods. The boundaries of the Redevelopment Area are shown in **Figure 26**. The Redevelopment Plan is intended to correct infrastructure inadequacies and other environmental deficiencies, provide incentives for property owners to rehabilitate both residential and commercial buildings, and encourage new businesses to locate in the area. The vitality of the downtown area is considered to be an important factor in reducing urban sprawl, in preserving existing affordable housing, in promoting efficiency of public facilities and governmental services, in preserving and enhancing property values, and in stimulating employment and business opportunities. The project area generally contains the City's most affordable housing units, and also "provides the City and community at large with a sense of place and community focus." ("Report to the City Council on the Proposed Central Dixon Redevelopment Plan" - prepared by Ralph Anderson & Associates, Sept. 15, 1986).

The Redevelopment Plan is to be financed through use of tax increment financing, which essentially allocates the additional tax revenues that stem from increased property values (resulting from redevelopment) to the Redevelopment Agency. One specific program included in the Redevelopment Plan is the establishment of a revolving loan fund, to provide for rehabilitation loans at below-market interest rates. Under state law, no less than 20 percent of the tax increments received by the Agency (usually referred to as 'set-asides') are to be used "for the purposes of increasing and improving the community's supply of low and moderate income housing...". As of January 1995, a total of some \$450,000 has accumulated for the Central Dixon Redevelopment Agency for such housing objectives. These funds accumulate at an annual rate of approximately \$90,000. All of these funds are currently available for use in the Redevelopment area.

Figure 24

DATE OF CONSTRUCTION OF HOUSING UNITS BY TYPE OF OCCUPANCY: 1990

City of Dixon, California

Year Housing Unit Constructed	<u>All Housing Units</u>		<u>All Occupied Units</u>		<u>Owner Occupied</u>		<u>Renter Occupied</u>	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1989 - March 1990	131	3.7	66	1.9	66	2.9	0	0.0
1985 - 1988	381	10.7	363	10.7	239	10.6	124	10.9
1980 - 1984	636	17.9	617	18.1	363	16.0	254	22.3
1970 - 1979	1,126	31.7	1,095	32.2	809	35.7	286	25.1
1960 - 1969	504	14.2	498	14.6	308	13.6	190	16.6
1950 - 1959	386	10.8	386	11.3	227	10.0	159	13.9
1940 - 1949	159	4.5	155	4.6	103	4.6	52	4.5
1939 or earlier	<u>232</u>	<u>6.5</u>	<u>224</u>	<u>6.6</u>	<u>148</u>	<u>6.5</u>	<u>76</u>	<u>6.7</u>
TOTAL:	3,555	100.0%	3,404	100.0%	2,263	100.0%	1,141	100.0%

Source: U.S. Census, 1990.

Figure 25

PLUMBING FACILITIES IN YEAR-ROUND HOUSING UNITS BY OCCUPANCY AND TENURE: 1990

City of Dixon, California

	<u>All Occupied Units</u>			<u>Vacant</u>	<u>Total</u>
	<u>Owner- Occupied Units</u>	<u>Renter- Occupied Units</u>	<u>Total Occupied Units</u>	<u>Units</u>	<u>Units</u>
Complete Plumbing for Exclusive Use	2,263	1,133	3,404	151	3,555
Lacking Complete Plumbing for Exclusive Use	0	8	8	4	12
TOTAL:	2,263	1,141	3,404	155	3,555

Source: U.S. Census, 1990.

The Redevelopment area includes approximately 190 gross acres which are presently zoned for residential uses. An estimated 71 gross acres are in the RM-2 Multiple Family zoning district, which permits the highest density development (up to 17.4 units/acre, with 2,500 square feet site area per unit). The RM - 2 Zone constitutes the single largest residential zoning classification in the Redevelopment Plan area. The City of Dixon has recently completed a survey of vacant and underdeveloped parcels in the Redevelopment area which could be developed with new housing. As shown in **Figure 27**, 11 sites (lots or portions of lots) have been identified as currently vacant, comprising a total of two acres (net), and of which five sites are on lots or parts of lots of less than 7,500 square feet (about 0.17 acres). Zoning regulations (discussed in greater detail in Chapter III, Housing Constraints) for the RM-2 zone district require a minimum 8,000 square foot lot for a duplex, and a 7,500 square feet lot for a triplex. However, due to the limited total acreage and small site areas in the RM-2 zone district, one of the specific programs/actions discussed in Chapter IV will be to undertake the selective reduction of the base lot requirement, so that additional units could be expected to be added in this portion of the Redevelopment Plan area. All such lots may not be able to be developed in this manner however, as some situations may exist that would compromise community living standards to an unacceptable level.

The recently adopted Dixon 1993 General Plan (December 1993) has established a residential designation of High Density (for Seniors), which allows for densities ranging from 21.79 to 29.04 units per net acre, or from about 16.35 to 21.78 units per gross acre. The minimum site area for this designation is between 1,500 and 1,999 square feet per unit, and the minimum total site area required is 7,500 square feet. Although no sites have been designated as High Density (for Seniors) in the General Plan, individual projects may be considered within areas in the RM-2, PMR and PMU zone districts, such as those present in the Redevelopment Plan area. As shown in **Figure 27**, the six vacant or underutilized sites in the RM-2 zone district could accommodate up to a maximum of 37 units under the High Density (for Seniors) land use designation, compared to 21 units under the existing MDL (Medium Density - Low) land use designation.

Figure 27

VACANT AND UNDERDEVELOPED RESIDENTIAL PARCELS IN DIXON REDEVELOPMENT AREA
City of Dixon, California

Max. Poten. Units - RM-2 Zoning ¹					
Zone	Address	Acres ¹ (Vacant)	MDH GP ² Designation	HD (Senr.) ⁴ GP Design.	Notes
<u>RM-2 - Multiple Family</u>					
	480 N. Jefferson	0.16	1	1	Vacant in front; small house in rear portion.
	379 N. Jefferson	0.21	3	6	S.F. house on S 1/2; N. 1/2 is vacant.
	380 N. Jefferson	0.31	5	9	S.F. house on S. 1/3; N. 2/3 is vacant.
	220 S. 1st St.	0.20	3	5	Vacant.
	311 W. Broadway	0.15	1	1	S.F. house on E. 1/2, W. 1/2 is vacant.
	390 W. Walnut St.	0.26	4	7	S.F. house on 1/4 corner; 3/4 is vacant.
	410 S. Adams St.	0.12	1	1	S.F. house on E. 1/2, W. 1/2 is vacant.
	271 S. 1st St.	0.10	1	1	S.F. house on W. 1/2, E. 1/2 is vacant.
	371 S. 2nd St.	0.14	1	1	Vacant.
	381 S. 2nd St.	0.19	3	5	Vacant.
	380 S. 2nd St.	0.18	3	5	Vacant.
	TOTAL	2.61	26	42	
<u>PMR & PMU - Planned Mult. Res. & Planned Med. Use</u>					
	550 N. 2nd St.	7.51	46 ⁵	46 ⁵	Three parcels combined, all vacant. PMR.
	209-239 E. A St.	0.78	14	22	Not vacant - four substandard houses and a duplex on four lots. PMU.
	261 W. Mayes	0.24	4	7	S.F. house on E. 1/2, W. 1/2 is vacant. PMU.
	TOTAL	8.53	64	75	
<u>R1-6, 8 & 10 - One Fam. Res.: 6,000 - 10,000 sq. ft. lots</u>					
	N. of 506 W. A St.	0.20	3	5	Vacant. R-1-8.
	621 E. D St.	0.16	1	1	S.F. house on W. 1/2, E. 1/2 is vacant. R-1-6.
	720 Walnut Park Ave.	0.09	1	1	S.F. house on E. 1/2, W. 1/2 is vacant. R-1-6.
	708 Walnut Park Ave.	0.11	1	1	S.F. house & 2 out-bldgs. on E. 2/3; W. 1/3 is vacant. R-1-6.
	604 Walnut Park Ave.	0.11	1	1	S.F. house on W. 1/2, E. 1/2 is vacant. R-1-6.
	590 Walnut Park Ave.	0.14	1	1	Mobile Home on NE corner; remaining 2/3 is vacant. R-1-6.
	300-310 N. 5th St.	0.41	7	12	Several small shacks used for housing. R-1-6.
	350 E. Broadway	0.24	4	7	Vacant. R-1-10.
	351 E. Broadway	0.28	5	8	Vacant. R-1-10.
	TOTAL	1.74	24	32	
<u>R1-40 - One Fam. Res.: 40,000 sq. ft. lots</u>					
	220-230 Porter Rd.	7.53	92	164	Front 200' zoned CS; Valley Livestock on portion of property (could be rezoned).
	300 Porter Rd.	7.60	92	165	Front 200' zoned for CS; also part of Valley Livestock (could also be rezoned).
	415 S. Almond and 450 S.	10.08	123	219	Front 200' zoned for CS (also potential for rezoning).
	450 N. 2nd St and 211 E. D	3.83	47	83	Several small shacks used for housing.
	TOTAL	29.04	354	631	
<u>CS - Service Comm'l (Potential Rezoning)</u>					
	509 N. Adams	0.26	4	7	2 small S.F. houses on S. 1/2; N 1/2 is vacant.
	515 Porter Rd.	4.84	59	105	Small commercial storage yard on part of property.
	TOTAL	5.10	63	112	
<u>LI - Light Industrial (Potential Rezoning)</u>					
	650 N. Adams	0.60	10	17	Vacant - could be rezoned; odd shape parcel.
	NE corner - B St./Jefferson	1.83	32	53	Vacant - could be rezoned.
	TOTAL	2.43	42	70	
TOTAL, ALL ZONING:		48.85	573	936	

¹ Acreage figures for vacant portions only of parcels indicated as partly vacant or under-used; maximum potential units for parcels over 2 acres reflect dedication of 30% for internal circulation or other requirements.

² Maximum Potential Units, assuming General Plan Land Use redesignation and rezoning as necessary to obtain highest permitted density (17.4 units per acre, excluding density bonuses), and accounting for minimum parcel size requirements.

³ Maximum potential units with RM-2 zoning and MDH (Medium Density - High) General Plan designation.

⁴ Maximum potential units with RM-2 zoning and HD (High Density [for Seniors]) General Plan designation.

⁵ Approved development plans are specifically for 46 units.

The Redevelopment area also contains areas designated in the Planned Multiple Residential (PMR) zone district (about 7.5 acres), and five underdeveloped parcels (including four adjacent parcels) totalling about one acre in the Planned Mixed Use (PMU) zone district. The 7.5 acre area was initially approved for a single project (Dickson Creek) of 46 single-family units at an overall density of about six units per acre. This project has recently been redesigned and approved as a 100% low income affordable apartment project, known as Dixon Garden Apartments. Dixon Garden Apartments was approved by the Dixon City Council in February, 1995, for 86 units (almost twice the original density). Thirty-five (35) of the units will be affordable to very low income households and the rest will be affordable to low income households not exceeding 60% of the median income. The project is discussed in greater detail later in this chapter and in Chapter 3. The PMU zone district is intended to promote mixed office, retail and residential uses in the area immediately south and east of the central business district. Therefore, a mixed commercial/residential development would be permitted in this zone, and at the maximum density permitted by the RM-2 zone district, these parcels could accommodate up to 18 new units, as shown in **Figure 27**. If these potential housing sites were redesignated as High Density (for Seniors), they could accommodate up to 11 additional units (a total of 29 units).

A majority of the residentially-zoned land in the Redevelopment Plan area, approximately 90 acres, is zoned for single-family residential use, in four sub-classifications of the R-1 district for different-sized lots. Virtually all of the Redevelopment Plan area which is zoned for single-family dwellings has been developed, and only nine sites have been identified as available for construction of new housing units. Many of the existing units in this area represent the most affordable housing in Dixon, and conservation and rehabilitation of these units is a high priority of the Redevelopment Plan and this Housing Element. Out of the nine underutilized or vacant sites in the R-1 zone district, five are of less than 7,000 square feet, but could accommodate additional units, either single-family homes, duplexes or apartments, if rezoned to RM-2 and the minimum lot size is waived where circumstances allow. If rezoned to RM-2, the other four sites could accommodate up to a maximum of 19 new units in triplex, fourplex or multiple-family structures. If these sites were designated as High Density (for Seniors), 8 additional units, or 27 units altogether, could be accommodated.

The largest single area of vacant or undeveloped land in the Redevelopment Plan area is an approximately 25-acre area within the triangular block bounded by Almond Street, Porter Street and Marvin Way, of which approximately 19.5 acres is zoned as R-1-40 (One Family Residential, 40,000 square foot lots minimum), while the remaining 5.5 acres is zoned as CS (Service Commercial). The City regards the R-1-40 district a "holding zone" until services are available for development; therefore this current designation would not hinder rezoning if higher density development is economically feasible. If all of the vacant area were rezoned to RM-2 and the General Plan designation was changed to Medium Density-High (maximum permitted density for general residential development), and if about 30 percent of the acreage was dedicated for streets, buffering from the adjacent railroad tracks and other requirements, this 25.2-acre area could accommodate up to 307 new units at the maximum density. If only the 19.5-acre R-1-40 area were to be rezoned/re-designated (also with 30 percent of acreage assumed as dedicated to internal circulation or other requirements), up to about 240 units could be developed. If the intended use were to be senior housing, using the High Density (for Seniors) land use designation, this 25.2-acre area would have a maximum yield of about 550 residential units. A separate 3.83-acre parcel could accommodate up to 47 units under RM-2 zoning, but with the High Density (for Seniors) land use designation, an additional 36 units, or 83 total, could be permitted for construction.

The City has also identified about 7.53 acres in its Service Commercial and Light Industrial zone districts which, because of their location, could potentially be redesignated in the General Plan and rezoned to permit residential uses. At the maximum density permitted by the RM-2 zoning, these parcels could together accommodate an estimated maximum of 105 new units (see **Figure 27**). At the maximum

density permitted by the High Density-Senior land use designation, these parcels could yield a maximum of about 182 new units.

As shown in **Figure 27**, the total amount of vacant and underutilized land in the Redevelopment Plan area could accommodate a projected maximum of 573 new dwelling units, most of which could be built in duplex, triplex or multiple-family structures. (This does not include additional units that might be realized if the minimum site area requirement is reevaluated for the scattered vacant lots.) Furthermore, if the High Density (for Seniors) land use designation were applied to these parcels, the potential for new dwelling units could be increased substantially, although presumably only a limited number of sites would be developed under this designation. It is reasonable to expect that many of these units would be priced (or rent for) less than comparable residential units outside the Redevelopment Plan area, because of lower land prices per unit and lower infrastructure costs.

8. Exemption from Measure B

The Redevelopment Plan area is exempt from the provisions of Measure B (discussed further below). This exempt status has already encouraged the development of several small apartment projects in the Redevelopment Plan area. Specifically, 41 units have been newly constructed in the Redevelopment Plan area since the Plan was adopted, including six four-plex structures (24 units total), four triplex structures (12 units total), and a combination of 'granny flats' (second dwelling units) and duplex units. In addition, 5 additional units have been rehabilitated and another 5 second dwelling units constructed in the Redevelopment area.

D. HOUSING NEEDS SUMMARY

1. Need for Affordable Units

In the current housing market, many households are finding that they cannot afford to buy or rent the type of housing unit they would like. As noted earlier, while the median ownership housing price rose 219 percent and median rents rose 287 percent in Dixon during the period from 1980 to 1990, median family income rose only by 178 percent during this period. There is a need in Dixon's present housing market for more affordable housing or programs which assist in making existing units more affordable to city residents.

2. Need to Protect and Conserve Existing Units

Dixon has a valuable resource in its existing housing stock. Significant numbers of low- and moderate-income persons currently reside in Dixon, and these existing units are filling a need for many of these households. It is therefore necessary to protect these units and encourage their continued use in the housing stock.

As construction labor and material costs continue to rise, it is increasingly difficult for low- or moderate-income homeowners to maintain their homes and keep them in a decent and safe condition. Consequently, by deferring the maintenance of these units, the condition and livability of the units decline and their viability is threatened. It is important that programs be encouraged and developed to preserve the existence of units in the current housing stock.

Conversion of Subsidized Housing Projects to Market Rate Rentals

State law requires that each jurisdiction completing a housing element consider subsidized housing projects that may convert to market rate rentals during the planning period covered by the element. This allows both HCD and the local community to anticipate the total number of below market-rate rental units that may be converted and/or displaced.

There is currently no project in Dixon that may convert to market rate rents during the planning period. Only one assisted project has been identified, the Walnut Ranch Apartments located on Pitt School Road. This project was constructed under the HUD 221 (d) (4) program in the 1970's; it contains a total of 30 assisted units under the County's Section 8 program. Neither the 221 (d) (4) mortgage nor any of the Section 8 units are due to terminate during the next ten years.

Sources used to verify that no other "at risk" affordable developments exist in Dixon are as follows:

- HUD Section 8, Section 10, Section 213, Section 221(d)(e), Section 236 and Section 202 - California Department of Housing and Community Development information does not indicate any projects other than Walnut Ranch.
- Community Development Block Grant program (CDBG); No developments assisted.
- Redevelopment programs - No projects undertaken or assisted with Redevelopment funds to date.
- FmHA Section 515 - None exist.
- Multi-family Revenue Bond programs - None exist.
- Local in lieu fee - none exists.

3. Special Housing Needs

a. Elderly Households

Based upon 1990 Census figures, Dixon's elderly housing population (those 65 years of age and older) consisted of 802 persons, comprising 7.7 percent of the total population (see **Figure 3**, page 7). Of this total, 41.0 percent were male and 59.0 percent were female. The distribution of households by type for householders aged 65 to 74 and 75 and over is shown in **Figure 28**. It should be noted that 43.5 percent of householders aged 65-74, and 39.5 percent of householders aged 75 and over are single occupants of a dwelling unit.

Figure 28

HOUSEHOLDERS OVER AGE 65 BY TYPE OF HOUSEHOLD: 1990

City of Dixon, California

<u>65 to 74 Years</u> Number	<u>75 Years and Over</u>			
	Percent	Number	Percent	
Married-Couple Family	131	47.1	101	56.1
Single Householder with Family	26	9.4	8	4.4
Single Non-Family Householder	121	43.5	71	39.5
2+ Persons Non-Family Household	0	0.0	0	0.0
TOTAL:	278	100.0	180	100.0

Source: U.S. Census, 1990.

The 1990 Census data also indicated that, of a total of 458 housing units in which the householder was 65 years old or older, 89 households (19.4 percent of the total) were in rental units. Of these 89 elderly renter households, 56 (62.9 percent) spent 30 percent or more of their income on rent (the proportion of income spent on rent was not computed for 21 households, or 23.6 percent of the total). By contrast, an almost identical number (57) of elderly households were owner-occupants who were spending 30 percent or more of their income on housing costs, but they constituted a much smaller proportion of all such elderly households (only 17.9 percent of the total of 318 elderly owner-households). Many elderly households are on fixed incomes, and renters are more vulnerable than owners in this regard because of the difficulty they may face in affording rental increases. As shown previously, in **Figure 16** (see page 16), the extent of poverty among the elderly in Dixon is relatively small, with only 28 persons aged 65 or over having incomes below the poverty level. These 28 persons represent 4.1 percent of the total of 687 persons in Dixon with incomes below the poverty level, and 3.6 percent of the total of 769 persons over 65 years of age.

The City of Dixon has recently been active in assisting developers to obtain Federal financing through the Farmers Home Administration for senior rental housing and reduced-cost for-sale homes. Four projects in all have been proposed, including Dixon Manor (32 apartment units), Park Dixon Senior Citizen and Retirement Facility (32 cluster units and a 100-room congregate care facility), Chardonnay Senior Congregate Care (60 units) and Dickson Creek senior Housing Complex (20 apartments, 27 zero lot line homes and a 58-room congregate care facility). The last of these was initially changed to 45 single family homes and then repackaged as an 86-unit family apartment complex known as Dixon Gardens. This project was mentioned on page 27; it recently received entitlement approval from the Dixon City Council and has applied for financing with Low Income Tax Credits.

b. Handicapped Individuals

The major housing-related problem faced by handicapped individuals is the affordability and accessibility of housing units. Consideration of such items as ramps, doorways, size and layout of bathroom and kitchen facilities is of primary importance.

Census data for 1990 indicate that of the 475 persons 16 years of age or older who had a work disability, 134 had a mobility or self-care limitation. Thirty-seven (27.6 percent) of the latter group were 65 years of age or older. An additional 169 persons aged 16 or more were identified as not having a work disability, but with a mobility or self-care limitation, all of whom were between the ages of 16 and 65. Housing policies will need to ensure that a proportion of new or rehabilitated housing units anticipate the needs of these combined 303 persons with a handicap limitation.

c. Large Families

While not all households are families, size of families can be assumed to be related to persons per household unit. **Figure 29** shows that 16.6 percent of Dixon households had five or more people sharing one unit in 1990. The 1990 Census indicates that 15.4 percent of all rented units were occupied by households of five or more persons. Consideration should be given to promoting the provision of larger dwelling units which are available for rent.

d. Female Heads of Household

According to 1990 Census data, there were 360 families with a female head of household, with no husband present, which included 232 female householders with their own children under the age of 18. The latter type of household made up 14.9 percent of the total of 1,562 Dixon families in households with their own children, and 64.4 percent of all female heads of families in households with no husband present. By comparison, there were 96 male heads of household, with no wife present and with their own children under 18, or less than half as many women in a similar situation. However, the male heads of households in these circumstances had on average more children (1.73 per household) than the female heads of households (1.47 per household).

Other 1990 Census information identifies a variety of factors which make it difficult for female heads of households, especially those with children, to find adequate, affordable housing. For example, mean income in 1989 for female heads of households with children under 18 was \$23,791, compared to \$27,142 for male heads of households in the same circumstances. The unemployment rate for females (11 percent) is almost double that for males (5.9 percent), and that rate does not include single mothers who are not in the labor force because of the need to care for their children. The single largest category among families whose per capita income was determined to be below the federal poverty level consisted of female heads of households with children under 18 and no husband present (59 families, or 41.8 percent of families below the poverty level). The higher unemployment rates among female heads of households also increase their risk of homelessness.

It is evident that low incomes and high rental costs coupled with a higher incidence of child rearing without a spouse present create a severe burden for female heads of households in general. It is necessary for housing policies to address the provision of low-cost, low-maintenance housing, within a setting which allows female heads of households (and perhaps single fathers as well) to pool resources such as child-care, recreational facilities, cooking, and home maintenance. To accommodate this type of household in Dixon, new forms of housing may need to be explored, such as the innovative Muir Commons development in Davis, referred to as co-housing or shared living housing.

Figure 29

NUMBER OF PERSONS IN UNIT BY TYPE OF TENURE: 1990

City of Dixon, California

<u>Number of Persons in Unit</u>	<u>Owner-Occupied Units</u>		<u>Renter-Occupied Units</u>		<u>All Occupied Units</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1 Persons	291	12.9	201	17.6	492	14.5
2 Persons	696	30.7	298	26.1	994	29.2
3 Persons	434	19.2	240	21.1	674	19.8
4 Persons	451	19.9	226	19.8	677	19.9
5 Persons	292	12.9	120	10.5	412	12.1
6 Persons	81	3.6	40	3.5	121	3.5
7 or More Persons	<u>18</u>	<u>0.8</u>	<u>16</u>	<u>1.4</u>	<u>34</u>	<u>1.</u>
TOTAL:	2,263	100.0	1,141	100.0	3,404	100.0

Source: U.S. Census, 1990.

e. Homeless

Comprehensive data on the number of homeless people in the City of Dixon are not available, and are not provided in currently available Census data reports. However, the Dixon Community Action Council (CAC) estimates that it provides referrals to emergency shelters and other services to approximately 300 homeless persons per year. Most of these persons are migrant workers who may find themselves homeless on a seasonal basis due to lack of employment (*telephone conversation with Caroline Miller-Shoup, Dixon CAC, February, 1993*).

There are currently no homeless shelters within the Dixon city limits. When funding is available, the CAC and local churches provide temporary housing in motels or in shelters elsewhere in the county (*telephone conversation with Caroline Miller-Shoup, Dixon CAC, February, 1993*). The CAC receives some funding for a hotel voucher program operated by the Solano County Economic Opportunity Council (SCEOC). This program, funded by the Federal Emergency Management Agency, provides temporary housing for three to five days.

f. Farm Workers

Although the U.S. Census indicates 337 employed Dixon residents (16 years or older) were employed in agriculture, forestry and fisheries in 1989 (see **Figure 9**, page 10), the Census does not provide more detailed information on the number of migrant, seasonal (non-migrant) and permanent farm workers in Dixon which would identify the extent of their special housing needs. However, according to the Solano County Employment Department, there were an estimated 1,900 farm laborers in Solano county in 1990 (Source: Draft Solano County Housing Element, August 1991).

The housing needs of full-time farmworkers are no different from those of other employment groups, and consist of housing which is affordable in relation to income, which meets acceptable housing standards and is reasonably accessible to employment. Seasonal or part-time farmworkers who do not leave the area and have or seek year-round residency in the area have similar needs, but their income is likely to be considerably less than year-round employees, and may require subsidized housing or employer-based housing. Seasonal migrant workers, however, will typically have even less income available for housing, because of their need to minimize expenses to meet off-season needs. As a result, migrant farmworkers will seek housing in a labor camp, any available and inexpensive rental unit (which may be shared among several workers), or if these are not available, may resort to substandard shelters ranging from vehicles to tents or other forms of temporary shelter. In addition, migrant farmworkers also need to reside in close proximity to work sites, and for this purpose, most farmworker housing needs to be provided in the unincorporated county areas, outside of the city of Dixon.

The Dixon Migrant Farm Labor Camp, administered by the Dixon Housing Authority, is the only publicly supported farm labor camp in Solano county. The camp was relocated in 1984 to a 27 acre site outside the Dixon city limits, leased from the U.S. Navy on Radio Station Road, and has a total of 82 remodeled residential "family" units, and other facilities to accommodate a projected maximum population of 500. The camp is funded through the Migrant Services Section of the State Health and Welfare Agency and through rental charges. In addition to the Dixon camp, there are 26 private camps in the county, providing 27 family units and 49 dormitories. The Solano County Division of Environmental Health Services monitors conditions at the camps to ensure that minimum health and safety standards are met. The Board of the Dixon Housing Authority is appointed by the Dixon City Council.

4. Projected Housing Needs and Actual Production 1988 - 94

a. Cumulative Housing Needs

As required by State law, the Association of Bay Area Governments (ABAG) has used its region-wide population, employment and household projections to calculate estimates of existing and projected housing needs for each county and city in the San Francisco Bay Area. For the Dixon area, as shown in **Figure 30**, projected increases in jobs and number of households were estimated to generate an overall need for about 700 additional housing units by April 1, 1995, in the period beginning January 1, 1988 (a period of 7 years, 3 months). As noted earlier, this planning period has now been extended another two years, nine months, through the end of 1997. Under ABAG terminology, "projected need" includes "existing" need and allows for expected household growth and an adequate vacancy factor (five percent). Therefore "existing" need, defined as the net additional housing that should have been available at the beginning of 1988 to provide a then-adequate vacancy factor and a better supply/demand balance, is included in the figure for 1988-1990 projected need. As indicated in **Figure 30**, 352 additional units are defined as the "Housing Need" during the 2-year, 3-month period 1988-1990 (to April 1, 1990), and 347 units are defined by ABAG as the "Housing Need" for the 5-year period from April 1, 1990 to April 1, 1995 (now December 31, 1997), for a total "Housing Need" of 699 new units for the now 10 year period. The projected potential for construction of new housing through the year 2000 is shown in **Figure 30**. This is derived from the maximum growth anticipated in the Dixon 1993 General Plan, based on the maximum allowable construction which could occur under the limitations of Measure B, a voter-approved ordinance which is discussed further below.

Figure 30

EXISTING AND PROJECTED HOUSING NEED: 1988-1997 City of Dixon and Solano County, California

	<u>Dixon</u>	<u>Solano County</u>
Existing Need, 1988	18	733
Projected Need, 1988-1990 (including 1988 Existing Need)	352	5,831
Projected Need, 1990-1997 (8 years)	347	18,876
Total 1988-1997(10 years)	<u>699</u>	<u>24,707</u>
Projected Maximum Growth, 1/1/95 - 12/31/97	692	N.A.

N.A.: Not Applicable

Source: ABAG, Housing Needs Determinations, 1989;

¹ From Dixon 1993 General Plan, 1993, page D-1.

b. 1988 - 1990 Housing Performance

Dixon's housing supply has increased substantially since 1988, particularly in more recent years. According to estimates by the Demographic Research Unit of the state Department of Finance (DOF),

which are shown in **Figure 31**, at the beginning of 1988 Dixon had a total of 3,543 dwelling units (Summary Report E-5, Population and Housing Estimates for California Cities and Counties, January 1, 1988). During 1988 and 1989, according to DOF data, Dixon's housing supply increased by 63 dwelling units, but in the next two years, 1990 and 1991, grew by 225 units. However, the U.S. Census, which is considered by both local and state (as well as federal) government agencies to be the most reliable source of information, reported that Dixon had 3,555 dwelling units on April 1, 1990 (see **Figure 19** above, page 18) which, compared with 1988 DOF data, would indicate an increase of only 12 dwelling units since January 1, 1988. This is due in part to the fact that only six (6) building permits were issued in all of 1988, as this was a year in which few existing lots remained and several annexations were pending.

Figure 31

**CALIFORNIA STATE DEPARTMENT OF FINANCE
HOUSING UNIT ESTIMATES FOR THE CITY OF DIXON: 1988-1994**
City of Dixon, California

YEAR (Jan 1)	TOTAL HUs	Single-Family Housing Units			Multiple Family		Mobile Home
		(Detchd.)	(Attchd.)	Total	(2-4)	(5+)	
1988	3,543	NA	NA	2,633	337	552	21
1989	3,564	NA	NA	2,563	423	552	26
1990	3,606	2,602	82	2,684	344	552	26
1991	3,731	NA	NA	NA	NA	NA	NA
1992	3,831	2,909	185	3,094	283	416	38
1993	3,911	2,975	186	3,161	295	417	38
1994	4,102	3,156	186	3,342	305	417	38

NA - Not Available (comparable U.S. Census information in **Figure 19**, page 18)

Source: California State Department of Finance.

In marked contrast to 1988, however, the City of Dixon Building Department indicates that during 1989 it issued 187 residential building permits. Nearly all of these units could be expected to have been completed by April 1, 1990, according to Building Department staff. For the purpose of this Housing Element, the Building Department figures are considered to be more accurate, and therefore, assuming the construction of about 190 units by April 1, 1990, Dixon fell short of its regional housing need through April 1, 1990 by 162 units (352 minus 190). It is also assumed that the U.S. Census figure of 3,555 housing units in existence as of April 1, 1990 is correct. In order to meet the total regional housing need identified by ABAG through 1995 of 699 additional dwelling units, about 500 dwelling units would need to be added to Dixon's housing stock between 1990 and 1995.

c. 1990 - 1994 Housing Performance

If it is assumed that the approximately 500 dwelling units identified as the 1990-1995 need are in fact built, Dixon would have a total housing supply as of April 1, 1995 of about 4,055 dwelling units, and on the basis of a five percent vacancy rate, these units would accommodate 3,852 households. With an average of 3.142 persons per household (the figure for January 1, 1994), Dixon would have a population of about 12,102 as of April 1, 1995.

In the period between January 1988 and December 1994, the City of Dixon Building Department issued 945 single family residential building permits and 13 multifamily permits (41 units), for a total of 986 residential units during the 7 years. Virtually all were completed by the end of 19934 (Annual Building Construction Report, January 1995. Included among these permits were a number of duplexes, triplexes, and fourplexes on scattered, small infill sites in the core area. These figures substantially exceed the total regional housing need defined by ABAG for the City of Dixon for the 7-year, 3 - month period January 1, 1988 through April 1, 1995. This represents an average annual construction of some 140 units per year over the entire period and 163 per year if the abnormal 1988 year is discounted. (Again, it should be noted that this period has been extended by the Legislature to the end of 1997, a total of ten full years.)

State law also requires that housing needs are determined in such a way as to ensure that the housing requirements of all income groups be identified. Accordingly, ABAG has determined that the City's total "projected need" through the year 1995 (now 1997) should be allocated as shown in **Figure 32**.

Figure 32

PROJECTED HOUSING NEED BY INCOME CATEGORY: 1988-1995 (1997)

City of Dixon, California

<u>Income Category</u>	<u>ABAG Housing Need 1988-1995 (1997)</u>	
	<u>No.</u>	<u>Percent</u>
Very Low (0 - 50% of regional median)	168	24
Low (51 - 80% of regional median)	119	17
Moderate (81 - 120% of regional median)	154	22
Above Moderate (above 120% of regional median)	258	37

TOTAL: 699 100

Source: ABAG, Housing Needs Determinations, 1989 for 1988-1995 period;

As shown in **Figure 32**, the majority of the city's housing need for the period 1988-1995/97 (412 units, or 59 percent) was allocated to the moderate- and above moderate-income price range. However, there is also a substantial specified need for units affordable to low- and very low-income households, especially the latter (168 units, or 24 percent of total Housing Need).

In order to identify unmet regional housing need within each income group through the end of the 1988-1995/97 period, it is necessary to estimate the extent to which housing need has been met in the period since 1988 for each of the four income groups. While there is no absolute or consistent basis for directly associating affordability and type of dwelling unit, in general terms detached single-family dwelling units are more likely to be affordable to households in the two higher (moderate and above-moderate) income groups, because of higher land and construction costs. However, in Dixon, as in other areas of Solano County, the higher median income range brought on by the influence of the Bay Area has made a substantial portion of even single family for-sale housing affordable to most moderate income households. Some Dixon units have even been made affordable to the upper range of the low income group, when incentives such as the Mortgage Credit Certificates (MCC's) are coupled with low interest rates and higher density (smaller lot) subdivision development. Whereas it is true that in recent years,

multiple family or other higher density developments have been built to higher standards and greater amenities, the rent survey in **Appendix C** shows that all but a few of the apartments and multifamily units built during this time period are affordable for a large segment of lower income households. In general, only the very low and the lowest 10% of the low income groups will require some degree of direct intervention or financial assistance in order to afford current rental rates for recently constructed apartments. Manufactured housing also provides the opportunity to realize substantial savings and thereby increased affordability. In Dixon, however, no recent new development has proposed or included manufactured housing.

5. Affordability Factors and Tenancy Assumptions

Affordability, for the purpose of Housing Element analysis, is a function of two primary factors; the proportion of total income a household is able to reasonably be expected to expend on housing costs and still meet other essential needs (e. g., the "overpayment" threshold); and the cost of housing available, either in the form of mortgage payments, taxes, etc., for owner occupants, or monthly rent. For Very Low Income households, the Federal Department of Housing and Urban Development (HUD) has, for over a decade, used the 30% of income figure for the "affordable" rent or housing cost for Section 8 and other direct assistance programs. The 30% figure is also thought to be the most reasonable figure for the Low Income group (up to 80% of Median) who rent, rather than own, their home. In recent years, there has also been some recognition by the Legislature that a higher percentage is realistic for at least the moderate income group, as well as those households in the low income group that can manage to qualify for homeownership. The definition of affordability specified in Section 50052.5 of the State Health and Safety Code allows a higher than 30% level for owner occupied housing, in recognition of the willingness of many people to sacrifice other disposable income for homeownership benefits. This applies to only the "upper third" of the Low Income households earning 70% or more of the median ; and only for owner-occupants.

For the purpose of this analysis, the affordability level for all Very Low Income households and Low Income households that rent, is 30% of gross income. For Low Income households that are owner occupants, the affordability level is considered to be 35%. For Moderate Income households, many of whom can be expected to afford monthly payments on entry - level for sale housing at current interest rates, the affordability level is also set at 35%. As discussed below, current housing costs place homeownership out of reach of all of the Very Low Income group and at least the lowest half of the Low Income range. For this reason, when analyzing housing needs met and those needs remaining, all Very Low Income households are assumed to be renters, with a maximum affordable rent at 30% of gross income. The Low Income group will be considered to be both renters and owners; For renters, affordable rent is set at 30% of income, while affordable mortgage payments (including taxes and insurance) is set at 35% of income. All Moderate and Above Moderate income households are assumed to be owners, at the 35% of income affordability level (there is actually no limit assumed for Above Moderate Income households).

6. Housing Cost and Production To Date

The City of Dixon has provided information on the sale prices of new homes at the time of their permit issuance and/or final inspections for the subdivisions active during the 1988 - 1995 time period. This can be matched with the affordability ranges for the four income groups, using the above income limits in the year the homes were sold. Current rents for both single family homes and apartment complexes can also be compared against current income and affordability limitations. This comparison allows a determination of the number of households whose affordability requirements have already been met by housing produced in Dixon since 1988 and also the housing needs remaining to be met. Further, the next section will consider the impact of the Solano County Housing Authority's direct assistance programs; e. g.,

Section 8 and Vouchers. Of the 986 units for which building permits were issued during the years 1988 through 1993, 41 units were constructed in four duplex, five triplex, and five fourplex structures, while the remaining 945 units were single-family detached dwelling units. The following tables compare the affordability levels of the four income groups with the sales prices of homes sold during each of the years between 1988 - 1995 and the rental rates common in apartment complexes constructed during that time

7. Proportion of Housing Need Satisfied 1988 - 1994 and Remaining to be Satisfied 1995-1997

From the above discussion and the tables in **Figures 32 - 36**, it can be seen that the estimated 1988 - 1995/97 housing need for the City of Dixon has largely, but not entirely, been met. Of the estimated need for 168 units affordable to very-low income households, 41 such units have been provided through new apartment construction, with 127 remaining. Of the needed 119 units affordable to low-income households, 36 have been provided by new construction of affordable single family homes. The affordable single family homes were produced in 1993 by a special combination of reduced lot sizes and lower sales prices, low interest rates during the sales period and Mortgage Credit Certificates (MCC's). Even so, it is estimated that only the "upper" third of the low income households (70 - 80% of median) could afford these homes. **The 41 multifamily units constructed during the period are not counted here, as it is assumed that these were made affordable to very low income households through the Section 8 programs cited above. Therefore, it is assumed that these units were not available to add to the affordable stock for the 50 - 80% group.** The estimated need defined by ABAG for 154 dwelling units affordable to moderate-income households is considered to have been entirely met, as shown in the table in **Figure 36**. Finally, for the purposes of meeting the regional housing need, no additional units are "needed" to satisfy the needs of households with above-moderate incomes, although the construction of such units would be expected to continue throughout the period. **Figure 36** also depicts the number of units constructed in the 1988 - 1995 and projected to be constructed in the 1995 - 1997 periods, that are affordable to above - moderate income households. The construction of housing affordable to households with above-moderate incomes has substantially exceeded the "need" defined for the period to 1995/97. Regardless of the need met to date however, the City intends to continue to allow and encourage residential growth and will continue to produce housing affordable to all income groups to fulfill future needs. In order for the remaining regional housing need by income category identified by ABAG through 1995/1997 to be met, an estimated total of 127 units affordable to very low- and 83 units affordable to low- income households would need to be built between January 1, 1995 and June 30 1997. As will be demonstrated in Chapters III and IV, the City will ensure the availability of adequate sites for very low and low income households to meet the remaining current need, as well as future needs

FIGURE 33

HOUSING AFFORDABILITY BY INCOME CATEGORY 1995

Based on 1995 Solano County Median Income of \$47,800

<u>Income Category</u>	<u>Annual Inc.</u>	<u>Mo. Income</u>	<u>Aff. Factor (%)</u>	<u>Aff. Rent or Mortgage *</u>	<u>Affordable Home Price @ 9%, 30 yrs 10 % Down</u>	<u>Affordable Home Price @ 8%, 30 yrs 10 % Down</u>	<u>Affordable Home Price w/MCC @ 9%, 30 Yrs, 10% D</u>
Very Low 50% or less of Median	\$23,900.00	\$1,991.67	30%	\$547.50 (\$595 - \$50 Util)			
Low 50% to 80% of Median	\$38,240.00	\$3,186.67	30% 35%	\$906.00 (\$906 Mortgage pmt. + \$210 Taxes & Insurance)	\$125,000	\$137,000	\$152,000.00 Pmt.=\$906*1.2 = \$1087
Median 100% of Median	\$47,800.00	\$3,983.33	35%	\$1,094.17 \$1388 - Taxes, Util & Ins.)	\$152,000 327	\$166,000 393	\$181,000.00
Moderate 80% to 120% of Median	\$57,360.00	\$4,780.00	35%	\$1,373.00 (\$1666-Taxes, Util. & Ins.)	\$190,000	\$208,000	

FIGURE 34

HOUSING AFFORDABILITY BY INCOME CATEGORY, 1988 - 1995

<u>Income Category</u> <u>Affordability Factor</u>		Very Low 30%	Low 30%/35%	Median 35%	Moderate 35%
<u>Assumed Tenancy</u>		Rent	Rent/Own	Own	Own
<u>Year</u>	<u>Median Income</u>	<u>Affordability Limits</u>			
1988	\$36,700.00	\$458.75	\$734/\$856	\$1,070.42	\$1,284.50
1989	\$38,500.00	\$481.25	\$770/\$898	\$1,122.92	\$1,347.50
1990	\$40,400.00	\$505.00	\$808/\$943	\$1,178.33	\$1,414.00
1991	\$42,200.00	\$527.50	\$844/\$985	\$1,230.83	\$1,477.00
1992	\$42,200.00	\$527.50	\$844/\$985	\$1,230.83	\$1,477.00
1993	\$46,800.00	\$585.00	\$936/\$1092	\$1,365.00	\$1,638.00
1994	\$47,600.00	\$595.00	\$950/\$1110	\$1,388.33	\$1,666.00
1995	\$47,800.00	\$600.00	\$956/\$1115	\$1,394.17	\$1,673.00

FIGURE 35

NEW HOUSING CONSTRUCTION 1988 - 1994: AFFORDABILITY BY INCOME GROUP

Income Affordability Tenancy	Very Low 30% Rent		Low 30%/35% Rent/Own		No. New Units Produced in Affordability Range	
	Very Low Income Affordability Limits	No. Affordable New Units	Low Income Affordability Limits	Maximum Affordable Sale Price	Rental	Sale
Year						
1988	\$460.00	4	\$734/\$856	\$99,300.00	0	0
1989	\$481.00	4	\$770/\$898	\$102,300.00	0	0
1990	\$505.00	12	\$808/\$943	\$109,500.00	0	0
1991	\$528.00	3	\$844/\$985	\$116,000.00	0	0
1992	\$528.00	10	\$844/\$985	\$119,500.00	0	0
1993	\$585.00	8	\$936/\$1092	\$137,800.00	0	36
1994	\$595.00	0	\$950/\$1110	\$137,000.00	0	0
1995	\$600.00	0	\$956/\$1115	\$135,000.00	0	0

**Total Affordable
Units Produced**

41

0

36

77 Total

Income Affordability Tenancy	Moderate 35%	Above Moderate 35%+					
	Moderate Income Monthly Affordability & Price Limits	Maximum Affordable Sale Price	No. Moderate Income Units	Total Low/Mod Units Produced	Above Moderate Units -- New Construction	Annual Units All Income Group	Total Units Produced
Year							
1988	\$1,285.00	\$152,000	0	4	2	6	6
1989	\$1,350.00	\$162,300	57	61	126	187	193
1990	\$1,415.00	\$171,000	59	71	159	230	423
1991	\$1,475.00	\$179,500	32	35	0	35	458
1992	\$1,475.00	\$196,800	34	44	61	105	563
1993	\$1,640.00	\$217,500	131	175	43	218	781
1994	\$1,665.00	\$216,800	103	103	102	205	986
1995	\$1,675.00	\$207,100	0				
Total Affordable Units Produced			416	493	493	986	986

FIGURE 38

DETAIL OF HOUSING PRODUCED 1988-94

<u>Income Category</u>	<u>New Apts.</u>	<u>SF Subdiv's</u>	<u>Section 8/Rhb</u>	<u>TOTAL</u>	ABAG PROJECTED NEED <u>1988-1997</u>	REMAINING NEED <u>1995-1997</u>
Very Low 50% or less of Median	41	0	34	41	168	127
Low 50% to 80% of Median	0	36	10	36	119	83
Moderate 80% to 120% of Median		416		416	154	-262
Above Moderate Above 120% of Median		<u>493</u>		<u>493</u>	<u>258</u>	<u>-235</u>
TOTAL	41	945	44	986	699	-287

8. Summary of Specific programs and New Construction during 1988 - 1994

a. New Construction – Market Rate Affordability

Homes For Sale

As discussed previously, new homes for sale in Dixon during the planning period have been sold at affordable prices to many moderate income households. **Appendix B** lists the new subdivisions constructed since 1988; the table in **Figure 35** describes the number of units built and their prices when sold, the affordability limits of moderate income households in each of those years, and the resulting number of homes sold at moderate income - affordable prices in each year. In addition, the Sunflower Subdivision was able to be constructed at sale prices that made some units affordable even to households in the low income group.

Multifamily Construction

During the planning period, 41 multifamily rental units were also constructed, in scattered locations, mostly in the Redevelopment area. As the rental survey in **Appendix C** indicates, all apartments surveyed (including the most recently constructed) are affordable to low income households, although market rents for newer units are generally above the affordability range for very low income households.

b. Non Construction Programs – Financial Assistance, Cost Reduction and Direct Subsidies

Reduced Lot Sizes And Infill Development

The City has, on several occasions, permitted the construction of homes on lots less than the "standard" 7,000 sq. ft., either through rezoning or the Planned Development process. The Sunflower Subdivision is one such single family development that was processed in this fashion; these homes have lots that are as small as 5,000 sq. ft.

Financial Assistance Programs – MCC's, HOME Program, Tax Credits, CHFA

The City has in the past and is willing to pursue in the future, available State and federal programs to reduce the cost of both for sale and rental housing, through special development financing, tax credits or direct subsidy of rents.

One such program which has made owner occupied (for sale) housing more affordable is the Mortgage Credit Certificate (MCC) program, authorized by Congress in the Tax Reform Act of 1984. The program issues federal income tax credits for qualifying first-time homebuyers and thereby increases their ability to make payments on a home. Because the credit is applied to 20% of the mortgage payment, it has the general effect of increasing the payment that is affordable to a particular household income, by 20%. In 1992, the State of California gave the authority for issuance of up to \$20,000,000 in Certificates for the local program, sponsored by the Solano Affordable Housing Foundation (SAHF), the Cities of Dixon, Fairfield, and Suisun City, and the County of Solano, for purchase of homes in these cities and in the unincorporated areas of the county. Based on the dollar amount authorized, approximately 170 to 200 "MCCs" could be issued by the SAHF, the program administrators. The Sunflower subdivision, as

discussed below, utilized 12 MCC's for buyers in 1993. Some 29 MCC's have been issued for both new and existing homes in Dixon since the program began.

The MCC tax credit is equal to 20 percent of the annual interest paid on a new first mortgage loan, and has a higher maximum purchase price for new homes. In 1993, a qualifying purchaser's household income could not exceed \$42,200 for one- and two-person households, or \$48,530 for households of three or more. The program essentially works with existing home finance lenders, and does not subsidize down-payments or mortgage payments; thus a minimum qualifying income is also necessary. For a relatively low cost house in Dixon of \$131,000, (the Sunflower, Generations and New Beginnings Subdivisions have included new housing priced at \$130,000 or less), with a ten percent down payment, monthly payments with an MCC credit would require an annual gross income of about \$31,700, or about 66.5% of the 1993 household median income of \$46,700 (the calculation included repayments of principal, and payments for interest, insurance and taxes). Such an income requirement would exclude any very-low income households and just over half of low-income households. The table in **Figure 33** shows that the maximum affordable mortgage of a home sold to a household at the 80% of median income level, assuming financing with an MCC is about \$137,800, at 9% annual interest, allowing up to 35% of income for principal, interest, taxes and insurance. With a 10% down payment, the total affordable sales price is about \$152,800. The maximum house that a low income household could afford at 80% of median income, without the assistance of an MCC, is about \$127,000 (9% interest). At 8% interest, the maximum home price would be about \$137,000. Thus the MCC program may be considered suited for moderate-income and the "upper half" of low income households. However, additional programs and subsidies are needed to make housing affordable to the "lower" third of the lower income and all of the very low income households in Dixon and elsewhere in Solano County.

Solano County Housing Authority Section 8 and Voucher Programs

The Federal Section 8 and Voucher programs provide a direct subsidy for qualified Very Low Income families to ensure that these do not pay more than 30% of their gross income for housing. The City of Dixon is a part of the Solano County Housing Authority; which in turn, contracts with the Vallejo Housing Authority to administer these programs in Dixon and other locations in the County. According to the Vallejo Housing Authority staff, the number of new Section 8 Certificates received by HUD and used in Dixon since 1988 is about 75, or about one-half the entire allocation received for the County program during this time. (This proportional trend should continue, as the unincorporated County has a relatively small population and the only other municipality participating in the Countywide program is Rio Vista, a much smaller community.) To the knowledge of the Vallejo staff, none of these were utilized in conjunction with the new apartments built during this time (about 43). Rather, all 75 were used to make market rate, non-affordable housing, affordable to these very low income households. The Vallejo Housing Authority expects the Countywide program to receive about one-third as many new certificates (50) over the next three years (1995 - 1997) as were received since 1990. At the rate of distribution of recent years, Dixon should expect to receive 15 to 20 of these.

HOME Program, Tax credits, CHFA, Etc.

A number of Federal and State financing programs and incentives exist that can reduce the cost of a rental housing project, thereby lowering rents to an affordable level for lower income households. The city will look for future opportunities to assist nonprofit or for profit developers to utilize these programs.

- * The HOME program, administered through HCD, provides a matching grant of up to \$1 million for projects that are at least 20% affordable to lower income households;

- * CHFA (California Housing Finance Authority) administers a number of financial assistance programs for affordable housing, primarily rental housing for lower income households;

- * Rental housing tax credits are available to developers of rental housing that are affordable to households earning no more than 60% of median income (the "lower" third of the low and all of the very low income ranges). This is the program being used in conjunction with the Dixon Garden Apartments.

c. Recent Efforts to Assist Affordable Housing

The City of Dixon has shown itself to be willing to attempt to attract non-profit or private developers who are producing below-market priced housing. The effort to attract CHFA and other financing for a senior housing project was described earlier.

Successful Affordable Housing Projects: Sunflower Subdivision and Dixon Garden Apartments

Two projects are of particular importance to Dixon's efforts to provide affordable housing. One is a single family subdivision that was constructed and sold out in 1993, that produced for sale housing affordable to **both** moderate and low income households, known as the **Sunflower Subdivision**. This project was allowed to be constructed through the PUD process, on less than the "standard" 7,000 sq. ft. lots and resulted in some of the lowest sale prices for new homes in Solano County. (At the time they were offered for sale in 1993, prices ranged from \$120,000 to \$137,000 for three and four bedroom units, as shown in Appendix F.) The City's participation in the MCC program allowed 12 homes to be sold under that program, thereby increasing the affordability to households within the low income range for the entire range of prices. Further, the interest rates at the time the units were offered for sale were at historic lows, in the 7% range. As the table in **Figure 33** shows, the home price affordable to a low income household at the 80 % of median level at 8% annual interest, **without MCC assistance**, is about \$137,000. Thus, using the 35% of income affordability threshold, the **entire** 97-home subdivision was affordable to households in the "upper" third (70 - 80% of median) of the low income range, even without MCC's; the fact that 12 MCC's were used in this subdivision further underscores its affordability to low income households. Because 1990 Census data indicate that the "upper third" of the low income range represents about 37% of all of the low income households in Dixon, only 37% or 36, of the Sunflower homes are counted toward satisfying Dixon's low income housing need.

As mentioned previously, the **Dixon Garden Apartments** is a highly significant project that was recently approved by the City of Dixon. This development is seeking authorization for use of Low Income Housing Tax credits and will be under construction by late 1995 or early 1996. This project will provide a total of 86 2-, 3- and 4-bedroom apartments at affordable rents. Of these, 35 will be affordable to very low income households at the 50% of median income level. The remaining 51 will be affordable at the 60% of income level. These are the households that are most in need of affordable housing outside the "normal" rental market in Dixon. The City Council granted the necessary planning and zoning entitlements for the project on February 21, 1995.

9. Projected Growth and Ability to Meet Remaining Housing Need in the 1995 - 1997: Impact of Measure B

In 1987, the citizens of the City of Dixon enacted, through ballot measure, a growth management system known as Measure B. Measure B regulates the growth in housing units in the city of Dixon, limiting the

number of new residential units authorized for construction each year to a maximum of three percent of the total number of housing units existing on December 31st of each prior calendar year. Measure B also indicates that the number of units authorized each year should promote the objective of achieving a mixture of 80 percent single-family (both attached and detached) units and 20 percent multiple family units. It should also be noted that Measure B will be placed on the ballot again in 1996, and may be revoked, extended, or modified. The full text of Measure B is attached as **Appendix E**.

Exceptions to Measure B Allocations

Two major classes of residential projects are exempt from Measure B: 1) Any development approved prior to Measure B's enactment; and 2) any development in the Central Dixon Redevelopment Area (see Figures 26 and 27 on pages ___ for map and inventory of site development capacity of the project area). These two classes of projects are "categorically" exempt from both the construction limit and the "80-20" housing mixture objective, without any discretionary action required. Further, there are several additional exceptions under which a higher number of units may be approved for construction in any single year. The first is a "rollover" provision that allows allocated units from one year to be constructed in a subsequent year. This exception is also non-discretionary, as long as the total number of units approved over any consecutive five-year period does not exceed an average annual increase of more than three percent per year over that period. Additional, discretionary exceptions to this "five-year-average" rule may be made in order to meet regional/community housing needs and where a larger number of units is needed to enable economically efficient extensions of public facilities and services. The language in Measure B is clearly intended to ensure that no obstacle to achieving regional housing needs is created by its overall objective of stable, managed growth which does not overburden existing services and infrastructure.

The baseline for Measure B provisions specifically began on December 31, 1985, based on the City of Dixon's determination that 3,338 units existed in the City on that date, and thus the limit for residential units in the year 1986 was for 100 units. Projecting forward from January 1, 1986 to December 31, 1994, assuming the maximum number of allocations for new residential units under Measure B were approved in each successive year, the annual limit would be 112 units in the year 1990, or a total of 530 units in the five-year period covering the years 1986 through 1990. A number of large development projects were approved but not built prior to the enactment of Measure B, some of which still have considerable capacity for new dwelling units, and many of the permits issued from 1986 on were exempt from Measure B allocations. For example, although **170** residential building permits were issued in 1990, representing roughly a 4.5 percent increase in dwelling units over the previous year (50% more than the intended Measure B limit), a substantial majority of those permits were for units in development projects which were exempt from Measure B due to prior approval. The actual number of dwelling units requested by private builders, permitted and constructed under the Measure B allocations has been below the maximum Measure B allows. Even so, the ABAG need projections have been significantly exceeded. Please refer to Chapter III, Section A.1 (e) for additional discussion of Measure B.

A cumulative total of **808 Measure B-allocated** dwelling units could have been permitted within the city of Dixon in the seven years between January 1, 1988 and January 1, 1995, or well above the regional housing need defined by ABAG through April 1, 1995 (now December 31, 1997) of 699 units. This number does not even include the large number of exemptions and exceptions defined by Measure B. As discussed above, the actual housing produced was an even larger **986 units** because of the exemptions. Therefore, Measure B does not appear to constrain residential development below the amount of new housing needed to meet regional needs as defined by ABAG.

Projecting forward to December 31, 1997, permits for the construction of up to a maximum of **692 380** units could be issued under Measure B in the years 1995 to 1997. Based on the 1988 - 1995 regional

need determination of 699 units, plus or minus 10%, the future need for these years is likely to be approximately 330 total units. In addition, entitlements are still in place for development projects which were approved prior to enactment of Measure B. These remaining exempt projects, as well as sites available for residential development within the Redevelopment area, have the potential to accommodate a substantial number of additional dwelling units, beyond the maximum units permitted under Measure B. **In sum, Measure B would become a constraint only in the most rapid growth years and generally will not have a significant impact on Dixon's ability to meet existing or probable future housing needs.**

10. Capacity to Meet Remaining Needs and Future Needs, 1995 -1997

Of the 380 units which could be permitted for construction in the three-year period from January 1, 1995 through December 31, 1997, approximately 304 could be built as single-family dwelling units under Measure B's objectives for housing types, while the remainder (76) could be built as multiple-family housing, if the 80/20 distribution target set by Measure B is achieved. Although all of the potential multiple-family housing units could be expected to be affordable to moderate and low- income households, some proportion of these units could only be expected to be affordable to very low income households through one of the special financing programs, direct subsidies or development by a non-profit developer. (Dixon Garden Apartments is a specific example.) Furthermore, although single-family homes for purchase are typically less affordable to moderate- and lower-income households, Dixon's experience to date shows that a significant percentage of single-family units (especially attached single-family units) will be affordable to moderate-income households, and, with MCC's or similar assistance, to some lower-income households as well. Therefore it is assumed that at least 20 percent or about 70 of the units approved for construction under Measure B (e. g., multifamily rental units) would be affordable to low- or very-low income households, although it is probable that subsidies such as MCC programs, CHFA financing, tax credits, Section 8 or other forms of housing assistance may be needed for the very low- and the "lower third" of the low- income groups. To meet the City's future housing needs, some **594 additional** units could be approved for construction within the Redevelopment Plan area, **which is exempt from Measure B. At least another 100** housing units may also be constructed in development projects which were approved prior to Measure B's enactment in 1987.

A more detailed discussion of the City's residential growth capacity on sites available for development within the next several years, including the impacts of Measure B, follows in Chapter 3.

III. HOUSING CONSTRAINTS

The provision of adequate, safe, comfortable and affordable housing to all economic and social segments of the City of Dixon is constrained by a combination of economic, social, and institutional factors. Homebuilders, including for-profit developers, non-profit housing organizations and governmental agencies, require both the resources and a working environment that is conducive to building homes according to the needs identified by each type of homebuilder. The construction of homes for all persons that desire a home in Dixon, or anywhere, is constrained by a combination of housing standards (the regulatory requirements for housing conditions) and market demand (the ability of households to expend resources on housing according to the supply and cost of housing). Providing a variety of housing standards, and/or a variety of market choices (choices other than housing type, such as purchasing power or location) will greatly minimize these constraints. The City of Dixon, through this Housing Element, the Dixon 1993 General Plan as a whole, and through other means, seeks to provide this essential variety.

A. GOVERNMENT CONSTRAINTS

Governmental policies and regulations can constrain future residential development to varying degrees by imposing requirements and limitations on such development. These actions in turn can affect the cost of housing. Generally, these government constraints include land development controls, development processing procedures and fees, the amount of vacant land designated or zoned for residential use in the various density categories, and requirements for the provision of services and facilities. In addition, compliance with the regulatory requirements associated with Air Quality Management Plans and Congestion Management Plans, and cooperation with the California Department of Fish and Game in efforts to protect endangered or threatened species, contributes to an increase in the costs of housing construction in the local area.

In the absence of governmental controls, the free market would theoretically provide *some* type of housing for everyone in need of shelter; however, community standards for health, safety and development patterns require that housing meet certain objectives for construction. These community standards, expressed in governmental regulations, are "popular" in that they represent the community at large, and no substantial portion of the community desires housing that is below these standards. Furthermore, the majority of the community "demands" that no housing below these standards be constructed even for those whose resources are insufficient to pay the costs of meeting these standards. However, the City of Dixon's Building Code, Zoning and other land use controls also provide for a range of housing types and densities to ensure that housing affordability and choice is maximized.

1. Land Development Controls

Land development controls include policies and regulations contained in the City's General Plan, Subdivision and Zoning Ordinances, and Building Codes.

a. Zoning Ordinance Requirements

The City's Zoning Ordinance, updated in July of 1991, is intended to protect and promote public health, safety and general welfare, and more specifically to guide physical development consistent with the City's General Plan Land Use and other goals and policies. Other objectives of the Zoning Ordinance

include the most beneficial use of land, preventing excessive building intensity and population density, protecting and enhancing property values, and assisting in meeting the city's housing needs. The Ordinance provides for a broad range of residential zones, specifying a variety of minimum lot sizes and building types, which contributes to housing choice and affordability.

California Government Code Section 65915 requires cities to grant a density bonus of up to 25 percent, or provide other incentives of equivalent financial value, if the developer agrees to construct at least 25 percent of the total units of a housing development for low- and moderate-income families. In addition, the City of Dixon's Planned Unit Development (PUD) Ordinance contains provisions for total bonus units of **up to 50 percent** of the zoning district density limits if a housing development provides innovative design, energy resource conservation technologies, or senior citizen housing in addition to low- and moderate-income housing. For example, the R1-6 Single Family minimum lot size can be reduced to 4,000 square feet through the use of the PD-Planned Development designation. In another example, the RM-2 base density is 17.4 units per acre, but with the full density bonus, a maximum density of 26.1 units per acre can be achieved for low-/moderate-income housing.

The minimum lot sizes for the City's single and multiple family residential zone classifications, with and without density bonuses, are as follows:

<u>Zone</u>	<u>Base Minimum Lot Size</u>	<u>Base Units Per Net Acre</u>	<u>Maximum Density with 25 % Bonus*</u>	<u>Maximum Density with 50 % Bonus*</u>
Single				
Family Residential				
R1-6	6,000 sq. ft.	7.3	9.1	10.9
R1-7	7,000 sq. ft.	6.2	7.7	9.3
R1-8	8,000 sq. ft.	5.4	6.7	8.1
R1-10	10,000 sq. ft.	4.4	5.5	6.6
Multiple Family				
Residential				
RM-1	4,000 sq. ft.	10.8	13.5	16.2
RM-2	2,500 sq. ft.	17.4	21.7	26.1
Planned Multiple				
Residence-PMR	4,350 sq. ft.	10.0	12.5	15.0

* See preceding text for discussion of Density Bonuses

The City's parking requirements for residential units are as follows (Zoning Ordinance Section 12.23.07):

<u>Residential Use Type</u>	<u>Parking Requirement</u>
One Family Dwellings	Two spaces, located in a garage or carport, for each dwelling unit.
Two Family Dwellings	One and Two Bedroom Units – 1.5 spaces, located in a garage or carport, for each unit. Three or more Bedroom Units – 2 spaces, in a garage or carport, for each unit.
Condominiums, Half-Plexes, Townhomes, Cluster Homes, Patio Homes	One and Two Bedroom Units – 1.5 spaces in a garage or carport, plus 1 space, which need not be in a garage or carport, for each unit. Three or more Bedroom Units – 2 spaces in a garage or carport for each unit, plus 1 space, which need not be in a garage or carport, for each two units
Multi-Family Dwelling	One Bedroom Unit – 1 space in a garage or carport, plus 0.5 space, which need not be in a garage or carport, for each unit. Two or more Bedroom Units – 1 space in a garage or carport, plus 1 space, which need not be in a garage or carport, for each unit.
Mobile Home Parking	One space in a garage or carport, plus 1 space, which need not be in a garage or carport, for each mobile home, and 1 additional space for every 3 mobile homes.

Exceptions to the City's parking requirements may be granted for residential projects specifically designed for senior citizens under the PD-Planned Development designation.

b. Off-Site Improvements

General standards for off-site improvements such as streets, sidewalks, bikeways, and street lighting are established in the City's Standard Plans, Specifications and Design Criteria Ordinance. The minimum width for streets in a residential development is 36 feet from curb to curb. Exceptions are made only for existing public alleys, which must be a minimum of 20 feet wide. This is a "standard" street width requirement in Solano County and is typical of most neighboring communities (Fairfield, Vacaville, Suisun City, etc.).

c. Design Review Requirements

The City's Zoning Ordinance requires that all commercial, multifamily (over two units) and new subdivisions are reviewed for compliance with general community design standards for site planning concerns such as circulation, orientation of buildings, location and visibility of common areas, landscaping, etc. Building architecture is also reviewed, also for general principles. All single family subdivisions are reviewed by the Planning Commission, which acts as Design Review Commission for this purpose, other developments are reviewed by the Planning Commission in the same manner. This allows the City to consolidate project review into one body, effectively "streamlining" the review process. The Planning Commission has design review authority for all projects that require land use action or entitlement (use permits, zone changes, subdivision maps, etc.). This "one stop" review minimizes procedural requirements and processing time. The City's process is very similar to other nearby communities, if anything, it is less restrictive than typical in Solano County, in that review standards are somewhat general and flexible. The normal processing time for design review applications is approximately three to four weeks, to allow for staff review and placing the item on the next available Commission meeting agenda.

d. Secondary Units

The City's Secondary Living Unit Ordinance allows the construction of a "granny flat" unit in any single-family residential zone, subject to use permit approval. The Ordinance (Section 12.21.07.1) sets forth the following criteria for secondary living units:

- * The applicant for a use permit shall be both an owner and current resident of the property for which a secondary living unit is proposed.
- * The property must contain an existing single family detached dwelling.
- * The secondary living unit shall be attached to the existing single family dwelling.
- * Off-street parking for a lot with a secondary living unit shall be provided in accordance with Section 12.23.07A(2) of the Ordinance, which requires 1.5 garage or carport spaces per one- or two-bedroom unit, and 2 garage or carport spaces per three- or more bedroom unit.
- * The minimum front, side and rear setbacks of the applicable zoning shall be observed for the secondary living unit.
- * Any addition or modification to a single family dwelling which provides a secondary living unit shall satisfy certain design criteria.
- * A use permit may be denied on the basis of inadequate public facilities, including sewer, water or roadway capacities.
- * Dwellings containing secondary living units shall comply with all development regulations for the district wherein they are located, except as may be modified by the conditions of the Secondary Living Unit Ordinance.

Since adoption of the Ordinance in 1983, ten permit applications have been submitted, and all ten have been approved. Five have been approved and built since 1988.

e. Manufactured Housing

Manufactured housing can provide quality housing at a reasonable price. State legislation has encouraged homeowners to place and finance manufactured homes on single-family lots. As a result, mobile homes as well as factory-built housing may be taxed as real estate and may be set on permanent foundations, in common with conventional site-built housing. Subject to confirmation by local Ordinance, State law allows their placement on lots that are either owned or rented by the homeowner 1) in typical single-family subdivisions, 2) in special project sites designated for manufactured housing, or 3) in planned developments.

State legislation also prohibits local jurisdictions from restricting manufactured housing to mobile home rental parks, and local jurisdictions must apply the same standards concerning development of the lot to the manufactured home as would apply to a conventional single-family residential dwelling on the same lot, such as setbacks, parking, enclosures, and minimum square foot requirements. Site requirements are still under the purview of local jurisdictions as long as they are not discriminatory and do not act to preclude manufactured housing in the community. Further, local architectural requirements concerning the manufactured home itself are limited to roof overhang, roof material, and siding material.

The City of Dixon amended its City Code in 1981 to conform to these requirements, and also includes provisions to ensure that the dwelling is compatible with the surrounding neighborhood. During the years since City adoption of ordinance changes to allow manufactured homes on individual lots, there has been one application for such uses.

f. Growth Management

Measure B, approved by Dixon voters in 1986, limits annual residential growth in the City of Dixon to a number of new dwellings units equal to no more than three percent of the total number of housing units existing on December 31 of each prior calendar year (see **Appendix E** for the complete text). The measure is further intended to provide for an approximate mix of 80 percent single-family housing units (including single-family attached duplex units) and 20 percent multi-family dwelling units, in accordance with the City's General Plan. Measure B will be reviewed in 1996, and will be placed on the ballot again at that time.

Although Measure B places an upper limit to the **rate** of growth, there is no finite limit on the City's cumulative expansion; that is, there is no finite population limit beyond which the City cannot grow. With the exceptions built in, Measure B will create a significant limitation on development only in the most rapid of expansionary economic times. Following is a recap of both the "categorical" or non-discretionary exceptions and the discretionary exceptions that are built into the system:

Exceptions that are "Categorical" or "Automatic" (Non-Discretionary)

Two major classes of residential projects are exempt from Measure B: 1) Any development approved prior to Measure B's enactment; and 2) any development in the Central Dixon Redevelopment Area (see Figures 26 and 27 on pages 25 and 26 for map and inventory of site development capacity of the project area). These two classes of projects are "automatically" exempt from both the construction limit and the "80-20" housing mixture objective, without any discretionary action required.

Exempt, pre-approved projects that are still ongoing include the Country Faire PUD (formerly the Rancho del Vista PUD/Chardonnay PUD) (129 residential units). Further, there are **more exceptions** under

which a higher number of units may be approved for construction in any single year. First and foremost is a **"rollover" provision** that allows allocated units from one year to be constructed in a subsequent year. This exception is **also non-discretionary**, as long as the total number of units approved over any consecutive five-year period does not exceed an **average** annual increase of more than three percent per year over that period.

Discretionary Exceptions and Required Findings:

In cases in which the number of units in a single residential project, in combination with other proposed projects, would exceed the number of units allowed for construction that year under **Measure B**, the City Council may make an exception to allow the larger number of units, provided that 1) such exceptions do not occur more than two years in a row; 2) in no case will the total number of units approved exceed the average of three percent per year over each consecutive five-year period; and 3) exceptions may be made only for the following categories and criteria:

i. **Regional/Community Housing Needs** – Where, on the evidence presented, the Council finds it necessary to increase the number of residential units to be built in any one year or waive other provisions of **Measure B** (e. g., the "80/20 rule") to meet regional/ community housing needs as defined in the Housing Element.

ii. **Public Services** – Where the cost of public services, infrastructure or school construction borne by a particular residential project and required by the City, are found by the Council to prevent the project from being economically feasible, considering the number of dwelling units allowed to be built together with such public services.

g. Building Codes and Enforcement

Building construction standards in the City of Dixon are based upon the 1992 Uniform Building, Plumbing, Mechanical, and Housing Codes, and the 1991 National Electric Code. These codes are in conformance with Title 24 of the California Administrative Code, which takes precedence over other code editions. All new and existing housing developments are required to meet and maintain the construction standards set forth in these codes.

2. Fees and Exactions

Development processing and permit fees and exactions add to housing construction costs. **The City of Dixon fees for construction of a typical single-family home are approximately \$12,377**, for transportation improvements, police and fire services, water, drainage and wastewater facilities, and other public facilities and services. The City of Dixon's fees for new residential development are generally lower than fees charged in other cities in Solano County, and most cities in the San Francisco Bay Area. (The average fee for City services in central Solano County, not counting school fees, is over \$20,000, from a survey of Vacaville, Fairfield and Suisun City).

In addition to the City's fees, **a county public facilities fee of \$1,100 is charged by the County of Solano** to provide for public facilities and services needed in response to rapid growth in Solano County. In addition to the City's and County's fees, **a school impact fee is required for each residential unit, currently set by the Dixon Unified School District at \$1.65 per square foot of habitable floor space.** A Mello-Roos assessment of \$.27 per sq. ft., in lieu of the \$1.65 impact fee, is in place in some of the newer subdivisions. (Neighboring communities are also charging a much higher school fee or Mello-Roos assessment.)

The total fee for new construction of a 1,500 sq. ft., three bedroom home in Dixon is about \$16,000. In the neighboring communities, the equivalent fees are in the upper \$20,000's and low \$30,000's. A "typical" two bedroom multifamily unit of 800 sq. ft.. would be expected to require about \$10,000 fees. Therefore, Dixon continues to be a "bargain" compared to other nearby communities' fee structures.

The City of Dixon's entitlement processing fees and length of time required for processing are as follows (Again, these fees are relatively low compared to neighboring communities.):

<u>Action</u>	<u>Fees</u>	<u>Processing Time</u>
Use Permit	\$250 - 500	4 weeks
Variance	\$250	4 weeks
Rezoning	\$500 + \$40/acre	8-12 weeks
General Plan Amendment	\$750 + \$10/acre	8-12 weeks
Tentative Subdivision Map	\$750 + \$10/lot	8-12 weeks
Tentative Parcel Map	\$350 + \$10/lot	4-6 weeks
Planned Unit Development Permit	\$500 + \$40/acre	8-12 weeks
Design Review: Single-family dwelling	\$50	4 weeks
Duplex	\$75	4 weeks
Multi-family	\$100 + \$75/ each additional structure	

The time required to process residential projects depends upon the size and scope of the project. Any time delays in processing can ultimately result in added housing costs. While the City of Dixon attempts to process development applications in a timely and efficient manner, some delays are outside the control of the City. Delays in processing can occur if environmental review, pursuant to the California Environmental Quality Act (CEQA), requires an EIR to be prepared. At times, approval from other agencies such as the Local Agency Formation Commission (LAFCO) or State agencies may also be required for certain types of projects.

3. Land Supply

Figure 38 indicates the land acreage available for residential development within the Dixon City limits and Sphere of Influence, and the potential number of units that could be accommodated on these sites based upon their General Plan designations and zoning classifications. The land inventory data indicate that 170 acres are available and approved (or tentatively approved) for a projected 796 additional dwelling units **within the existing Dixon city limits**. **Figure 38** also provides similar information for areas proposed for annexations, for which Specific Plans are currently being prepared, consistent with their designation for residential development in the 1993 Dixon General Plan. **Figure 39** further details the housing proposed in these projects. The estimates of potential units shown in **Figure 38** do not take into account the potential for additional units to be approved resulting from the provision of density bonuses for low- and moderate-income or senior citizen housing.

Estimates are not available for the vacant acreage specifically suited for development of manufactured housing, mobile home parks, emergency shelters, and transitional housing. In general, all of the vacant acreage shown in **Figure 38** would be eligible for development of these types of housing, within the density limitations established by General Plan designations and zoning classifications. In accordance with State law, the City's Zoning Ordinance permits manufactured homes to be used as dwelling units in any single-family area (refer to discussion of "Manufactured Housing" above).

a. **Multifamily Sites**

None of the pre-approved (Tentative Mapped) development sites within the City limits include multifamily housing. However, all of these projects are outside the Redevelopment Project area, which would allow for a large number of multifamily units (see Figure 27 in Chapter II). As indicated in **Figure 38**, proposed annexations would include residential development at a range of densities. Higher average densities are proposed in the two major annexation areas, the Southwest Quadrant and South Park Annexations, than the projects within the present City Limits. The annexation proposals include a total of 314 multiple-family units in the Medium Density-High designation, at densities of 14 and 20 units per acre, respectively. As there are no multifamily sites currently approved or proposed within the City Limits (outside the Redevelopment Project Area), both of the proposed multifamily sites within the annexation areas could be annexed and under development within a very short period of time. **The multifamily sites described and summarized in Figure 40 below, clearly have the capacity to meet and surpass the City's remaining lower income housing need of 210 units for the period January 1, 1995 through June 30, 1997.**

b. **Single Family Sites**

City staff estimate that approximately 142 of the existing single family units' capacity within City Limits are not subject to Measure B allocation requirement due to approval prior to its enactment. The data in **Figure 38** also indicate that an additional 2,843 units are currently proposed in the Specific Plans being prepared for the areas proposed for annexation, consistent with the General Plan residential designations. Construction of these approximately 3,639 units would occur over the long-term time frame defined in the General Plan, and would extend to the year 2014, and probably beyond. Although Measure B will be subject to a renewal vote in 1996, for the purpose of the Housing Element, it is assumed that it will continue in effect. Southpark and portions of the Southwest Dixon area should be annexed by the end of 1995.

Figure 38

**RESIDENTIAL LAND SUPPLY IN THE DIXON SPHERE OF INFLUENCE:
DEVELOPMENT APPROVED OR PROPOSED AND ITS BUILDOUT POTENTIAL
AS OF MARCH, 1995**

APPROVED OR PENDING PROJECTS	General Plan Land Use Designation	Density (DUs/ac.)	Acreage Available for Dvlp ¹	Potential Additional DUs
Mayfair Junction Subdivision*	LD	4.1	6	25
Cherry Glen Subdivision*	LD	3.7	2	8
West Dixon Estates Subdivision*	LD	3.4	6	21
Country Faire Subdivision*	LD	5.8	13	77
Collier Manor, Unit III Subdivision*	LD	3.0	4	11
Connemara Subdivision	LD	4.0	35	140
Schooner Ridge Estates	LD	4.3	35	149
Regency Park Subdivision	LD	4.2	6	27
Pheasant Run				
Low Density Portion	LD	4.3	34	135
Medium Density-Low Portion	MDL	5.6	21	117
Dixon Gardens Apartments	PMR	11.1	8	86
SUB-TOTAL:		4.5	170	796
REDEVELOPMENT SITES	MDH/PMR	15+	3	46
PROPOSED ANNEXATIONS				
Southwest Quadrant Annexation				
Medium Density-High	MDH	14.0	9	126
Medium Density-Low	MDL	8.5	147	1,250
Low Density	LD	4.0	129	516
South Park Annexation				
Medium Density-High	MDH	20.0	9	188
Medium Density-Low	MDL	5.8	97	561
Low Density	LD	5.0	33	165
Very Low Density	VLD	1.6	23	37
SUB-TOTAL:		6.4	447	2,843
COMBINED TOTAL		5.8	616	3,685

Sources: City of Dixon Development and Project Summary, Version 20.0, January 17, 1994; City of Dixon Building Department staff; and the Dixon 1993 General Plan map.

¹ For Approved or Pending Projects, acreage shown is for vacant portions within City Limits only (excludes areas with units estimated to have been built by January 1, 1995)

* Projects approved initially prior to enactment of Measure B.

General Plan Designations - General Characteristics

VLD Single Family Dwellings (SFDs) on lots of 20,000 sq. ft. and larger.

LD SFDs on lots of 7,000-19,999 sq. ft.

MDL SFDs with 3,000-6,999 sq. ft. site area per unit, including attached and detached units.

MDH Multiple Family Unit with 2,000-2,999 sq. ft. site area per unit.

FIGURE 39
CURRENT RESIDENTIAL ANNEXATIONS UNDER REVIEW
RESIDENTIAL BREAKDOWN BY DWELLING TYPE & DENSITY

SOUTHPARK

Single Family Detached – 5 - 8 DU/acre	561	59%
Single Family Detached – 2 - 4 DU/acre	105	11%
Manor Homes (SF Attached) 6 DU/acre	97	10%
Multifamily 20 DU/acre	<u>188</u>	<u>20%</u>
TOTAL	951	100%

SOUTHWEST DIXON SPECIFIC PLAN AREA

Single Family Detached – 4.5 - 11 DU/acre	1250	66%
Single Family Detached – 1.5 - 4.5 DU/acre	516	27%
Multifamily 11 - 17 DU/acre	<u>126</u>	<u>7%</u>
TOTAL	1892	100%

TOTAL HOUSING PROPOSED

Single Family Detached – 4.5 - 11 DU/acre	1811	64%
Single Family Detached – 1.5 - 4.5 DU/acre	615	22%
Manor Homes (SF Attached) 6 DU/acre	97	3%
Multifamily 11 - 17 DU/acre	<u>320</u>	<u>11%</u>
TOTAL	2843	100%

It is apparent that the supply of land suitable for residential development, including approved subdivisions and Planned Unit Developments (PUDs), as well as proposed annexations already designated for residential use in the Dixon 1993 General Plan is far beyond the remaining 1995-97 housing need or any that might be anticipated in the five year period after 1997.

At ultimate buildout of these annexation areas (likely to occur well beyond the year 2010), with the addition of 2,529 single-family homes (including both attached and detached units), the number of single-family units would increase to 6,627, while multiple-family units would increase to 1,036, resulting in a ratio of about 86.5 percent single- to 13.5 percent multiple-family units. (Note that under Measure B, an additional 289 multifamily units could be constructed before reaching the 20% of all housing, not counting the Redevelopment Project Area sites.)

Figure 40

AVAILABLE MULTIFAMILY SITES AND CAPACITY FOR ADDRESSING LOWER INCOME HOUSING NEEDS

Remaining 1995-97 Need for Lower Income Units		210	No. Units 1995 - 97 ¹
	<u>Multifamily Sites/Acres</u>	<u>No. Units Capacity</u>	
Dixon Gardens Redevelopment Sites Currently Zoned For Multifamily	7.7	86	86
Redevelopment Sites To Be Rezoned For Multifamily ²	3.1	46	46
Proposed Annexation Areas	5.0	100	100
Southpark	9.4	188	72 - 188
Southwest Dixon	9.0	126	0 - 126
Total Multifamily Sites/Capacity	29.2	446	304 - 546

¹ Both Dixon Gardens and the remaining Redevelopment sites (including any that may be rezoned, that are not shown here) are exempt from Measure B calculations. The new development potential in the annexation areas could be developed up to 20% multifamily an any given year, without exception; 3 years x 120 units/year x 20% = 72. Exceptions for affordable housing could allow all of the proposed multifamily units to be developed, if the market allows and annexations are complete, as expected.

² Implementation Program No. 15 in Chapter 4 commits the City to initiate rezoning of at least 5.0 acres of the vacant parcels in the Project Area from nonresidential or single family to RM - 2.

c. Other Housing Sites/Capacity

Affordable housing needs may also be met by other means, such as second units, manufactured housing or mobile homes, or with single family homes on smaller lots (including duplex lots and attached units and especially where these are for rent). It is expected that the same number of rehabilitated single family homes and second dwelling units in the core area will be completed in the remainder of the planning period as has occurred over the past several years (around 10 total).

4. Availability of Public Services and Utilities

At this time, the availability of public services and utilities is the most serious constraint on the future housing market in Dixon. Most of the land now under consideration for multiple-family residential development in the City is located west of South First Street, east of the railroad tracks, in the proposed South Park Annexation. This area is not presently served by public services and utilities. The City, SID,

(Solano Irrigation District) are presently studying the formation of an assessment district or other mechanism to fund the necessary capital improvements in this area. Because of the likelihood that annexation of these areas could be imminent if this problem is solved, the City will accelerate its efforts to provide for the required services. If best efforts are not immediately successful, the City will also consider requiring a reconfiguration of the proposed development plans of the major annexation areas to place the multifamily sites closer to existing services.

Storm drainage is a major constraint to new housing development in some areas of Dixon. Recent changes in the Regional Water Quality Control Board's standards have resulted in a significant reduction in the capacity of the wastewater treatment plant. The facility will need to be upgraded to operate without overflow during a 25-year storm season. The estimated project cost is \$2,500,000, and the City of Dixon's portion is estimated to be approximately \$700,000. The cost of this upgrade will be charged to current users and future users who will occupy residential units that will be built in Dixon. It should be emphasized that surplus capacity presently exists that is adequate to serve all of the projects that are currently underway. Additionally, enough surplus capacity is available to provide for a multifamily development. Some of the existing capacity could also be used to serve new single family annexations, if it is determined that the need for these is more immediate than preapproved developments with a longer projected buildout. Schools, parks, and other public facilities and services are generally adequate to serve new residential development in existing City limits. The City's and School District's current impact fees and assessments will be used to fund new facilities for new annexations, as these come on line.

It should be emphasized that the City is committed to providing for adequate facilities to support managed growth. Planning, design and engineering studies are already underway in a cooperative effort with Solano Irrigation District and the County of Solano as a first step to ensuring that water and other facilities do not pose a long term constraint on future development. In the short term, as pointed out above, all existing lands within the City Limits are adequately served for build out.

B. MARKET CONSTRAINTS

Major factors which can result in private market constraints to the provision of affordable housing include land costs, construction costs, and availability of financing.

1. Land Costs

Prices for residential land in the Dixon area are roughly comparable to those in other urbanized areas of eastern Solano County and Yolo County. Improved single-family lots in the City are typically sold for \$58,000 to \$85,000, depending on their size. Prices for single-family or multi-family residential land that is unimproved (i.e. not currently served by water, sewer, and other public services) are approximately \$45,000 to \$65,000 per acre, when the land is sold in parcels of 20 acres or more (*telephone conversation with H. Sommer and M. McDonald, local developers, March, 1994*).

Land costs typically comprise about one quarter of the total costs of residential development. Recent housing sales in Dixon, however, indicate that local land costs exceed that percentage. As an example, a single-family home that was sold in 1992 for \$195,000 had a land cost of \$60,000, or approximately 30 percent of its final selling price (*telephone conversation with H. Sommer, local developer, March, 1994*). Because of the better efficiency of land utilization typically realized with multifamily development, land costs for apartments are proportionately somewhat lower than single family development.

2. Construction Costs

Construction material and labor costs have risen substantially in recent years. In Dixon, residential construction costs (not including the costs of permits and fees) currently range from \$40 to \$55 per square foot for single-family development and from \$35 to \$40 per square foot for multi-family development (*telephone conversation with H. Sommer, local developer, March, 1994*). These figures are roughly comparable to construction costs in the San Francisco Bay Area.

3. Availability of Financing

The availability of money or capital is a significant factor that can control both the cost and the supply of housing. There are two types of capital involved in the housing market: (1) capital used by developers for initial site preparation and construction, and (2) capital for financing the purchase of units by homeowners and investors. For many prospective homeowners, high interest rates can make home ownership infeasible because incomes are not adequate to meet required mortgage payments. For builders, high interest rates translate to higher development costs, which must in turn be passed on to the home buyer in order for the builder to make a profit from the development. Thus, while financing considerations may not constrict Dixon's housing supply at the present time, they could have a direct impact on the affordability of the city's housing.

In general, financing for new residential development in Dixon at the present time is readily available to established borrowers at reasonable interest rates. However, both builders and homeowners have suffered high and fluctuating interest rates in recent years. During the 1980s, interest rates for conventional mortgages and construction loans ranged from 8 to almost 19 percent. During the early 90s, however, interest rates stayed fairly low, at around 6 to 9 percent, and home ownership has become more feasible for those households which were unable to qualify during the 1980s. Current permanent financing rates are around 8.5% for 30-year, fixed rate mortgages. The lowest period was in 1993, when the same mortgage rate averaged around 7%. This was the period in which the Sunflower subdivision was on the market, with prices that, combined with the low interest rate, made homeownership affordable even to a segment of the low income group, with the affordability factors discussed in Chapter 2.

4. Market Rents and the Projected Cost of New Multifamily Housing

As noted in Chapter 2, Low Income households that are renting are considered to be able to afford up to \$906.00 in monthly rent (including an allowance for utilities of \$50.00 for a "typical" two - bedroom unit. According to the rent survey attached in **Appendix C**, rents for the most expensive apartment units in the city currently are no more than \$775.00. There is only one, newer 3-plex that charges over \$700, even for three bedroom units. One 4-plex charges \$650 and \$700 for two bedroom units.¹ Far more typical is a range of \$500 to \$610 for two bedroom units and \$600 - \$695 for a three bedroom unit.² Typical rents for single family homes range from around \$800 to \$1,000 for "standard" homes and up to \$1,200 for a "move-up" home.³ Clearly, most market rate rental housing is affordable to at least the "upper half" of the low income group of households, even considering the projected rent for new apartments shown in the following table. The projected new housing rent is affordable to a household earning 70% of median income; Almost all existing apartments (\$600/month + \$50 utilities) are affordable to households earning 55% of median and a substantial portion of the existing apartment stock is affordable to even very low income households.

Dixon Garden Apartments:

As discussed in Chapter 2, Dixon Garden Apartments is an 86-unit multifamily development that will be financed through the Low Income Tax Credit program and CHFA. Some 35, or 40% of the units will be affordable to very low income households, while the remaining 60% will be affordable to those earning 60% of the median income. This project directly addresses the most difficult segment of the population for the market to house. Typical rents are projected to range from \$413 to \$578 monthly for the very low income units and from \$483 to \$706 for the low income units. The complex will contain one-, two-, three- and four-bedroom units.

The cost of development and rent for a "typical" 2 -bedroom, 800 sq. ft. new unit is projected in the following table:

Figure 41

**DEVELOPMENT COST AND RENT REQUIRED
FOR A "TYPICAL" 2-BEDROOM APARTMENT**

Land Cost:	\$ 8,000
Construction Cost @ \$40.00/sq. ft.:	32,000
City & other Fees:	10,000
Overhead, Contractor Profit, Design & Other "Soft" Costs @ 20% of hard costs:	10,000
Developer OH/Profit:	<u>6,000</u>
 Total Construction/Development Costs	 \$66,000
 Permanent Financing @ 70%:	 \$46,200
Debt Service on Financing @ 8.5%, 25 Years	\$ 370
Operating Cost @ 40%	
Projected Total Cost:	<u>240</u>
Total Monthly Cost:	\$ 610
Investors' Profit @ 10%:	<u>165</u>
 Total Monthly Rent Needed to Develop/Build:	 \$ 775

Allowing an additional \$50 per month for utilities, this rent is affordable to a low income household earning approximately 69% of median income ($\$825 / 30\% \times 12 = \$33,000 / \$47,800 = 69\%$).

IV. HOUSING PLAN

A. GOALS, POLICIES AND PROGRAMS

The goals, policies and housing programs outlined in this plan represent a good faith effort by the City of Dixon to provide for housing needs within the community, given the limited resources and powers at its disposal. The attainment of many of the goals which follow necessitates funding which is uncertain at this time. The City must recognize this fact in adopting and implementing its housing programs, and should modify portions of this Element when changes in available program funding occur.

Many of the constraints to the preservation, improvement, and development of affordable housing in Dixon are the result of state and national economic conditions and private market factors. While the City of Dixon recognizes its responsibility to promote and facilitate adequate housing which meets the needs of all economic sectors of the community, it is also cognizant of the fact that many of the solutions to housing problems are outside of the City's control.

GOAL 1: FULFILL REGIONAL FAIR SHARE HOUSING RESPONSIBILITIES.

Policy 1 - Maintain land use policies that allow residential growth to continue

Program 1: Continue current growth management allowances and exemptions under Measure B that provide for at least 3% annual population increase, plus infill and redevelopment growth.

Responsible Agency: Community Development Department, Planning Commission and City Council

Time Period: Implement during the ongoing annual review process.

Funding Source: General Fund and other revenue sources that normally support advance planning and Measure B allocation activities.

Policy 2 - Ensure adequate infrastructure and public services are available to support both preapproved, ongoing developments and future annexations.

Program 2: Conduct annual review and revision of City financing mechanisms to ensure adequate funding for infrastructure and services needed to support growth. Ensure that fees and revenue sources are adequate but not more costly than necessary.

Program 3: Continue to work with the County, Solano Irrigation District, and other agencies to ensure that water, sewer and utilities are available.

Responsible Agency: Community Development Department, Planning Commission and City Council

Time Period:	Implement during the ongoing annual budget review process; initiate necessary planning and engineering studies to develop new sources of water supply and drainage and wastewater collection and treatment facilities. Complete studies, design and construction of new facilities prior to constraints restricting residential land availability.
Funding Source:	General Fund and other revenue sources that normally support advance planning; capital improvement funds, water and sewer enterprise funds for facility planning and design studies.

Policy 3 - Provide for future (long term) regional housing needs by maintaining an adequate supply of developable land within the City Limits; avoid potential land supply shortages through appropriate annexations.

Program 4 Ensure that residential land can be annexed when needed by periodically reviewing the City's Sphere of Influence and applying to LAFCO for expansion if needed.

Responsible Agency:	Community Development Department, Planning Commission and City Council
Time Period:	Ongoing, concurrently with Measure B periodic allocations, as related land use policy documents are completed (Southwest Specific Plan, etc.) and as private annexation requests are processed.
Funding Source:	General Fund, entitlement processing (annexation) fees and other revenue sources that normally support advance planning and annexation processing.

Policy 4 - Maintain variety of housing types and tenure within the City. Encourage the production of new residential units for sale and for rent that will provide a choice of housing type, density, and cost.

Program 5. Assign priority for Measure B allocations and entitlement processing to projects that include more than one housing type. (Also refer to Programs 6, 8, 9 and 11 below.)

Program 6: Require proposed development plans for future large projects and annexations to include multifamily and attached single family housing areas in the initial phases

Responsible Agency:	Community Development Department, Planning Commission and City Council
Time Period:	Ongoing, concurrently with Measure B annual allocations, as related land use policy documents are

completed (Southwest Specific Plan, etc.) and as private annexation requests are processed.

Funding Source: General Fund, entitlement processing (annexation) fees and other revenue sources that normally support advance planning and annexation processing.

Program 7: Continue to allow mobile homes and factory-built housing which have permanent foundations and which meet all zoning and design review requirements on any parcel designated for residential uses.

Responsible Agency: Community Development Department, Planning Commission, City Council

Time Period: As needed

Funding Source: Not Applicable

GOAL 2: ENCOURAGE THE PRODUCTION OF HOUSING AFFORDABLE TO LOW- AND MODERATE INCOME HOUSEHOLDS

Policy 1 - Use Measure B to implement the goals and policies of the Housing Element and to achieve quantified objectives for housing units within each income category.

Policy 2 - Establish affordable housing objectives consistent with Regional Fair Share Allocations; Revise the Measure B annual allocation procedures to provide incentives for performance.

Program 8: Establish an annual objective for lower-income housing units as Measure B housing allocations are determined. Establish a City policy that gives priority for allocations to development projects that include multifamily sites or otherwise fulfill the established lower-income housing objectives.

Program 9: As a part of the priority criteria policy recommended by Program 8, utilize the Measure B allocation process to designate a portion of the available allocations for either rental or owner-occupied projects which will provide lower-income units.

Program 10: Allocate at least 20 percent of future residential development permits under Measure B to multiple-family housing.

Program 11: Establish policy that makes the provision of lower-income housing a **non-discretionary** exception to both the "20% Objective" for Multifamily housing as a proportion of overall housing in Dixon, as well as the overall 3% growth limitation in the following circumstances:

- a. For any multifamily rental units affordable to households earning less than **70%** of median income;

- b. For any multifamily for-sale units (condos or cooperatives), limited to owner-occupancy that will be affordable to households earning up to **80%** of the median income; and
- c. The total allocation (3% growth) restriction for single family projects providing affordable **owner occupied** units for up to **80%** of median income households. The projects so exempted would have to demonstrate the required affordability during the normal entitlement process, whether at staff level, Planning Commission or City Council, depending on the land use action required.

Note: Please refer to Table 41 on page 60 (Chapter 3). The cost to build and rent an apartment without subsidy or government participation requires a monthly rent of \$775. This is affordable to a household earning 69% of the median income, as shown by the affordability discussions in Chapter 2. Therefore, **70%** rather than **80%** is chosen as the trigger for this incentive, since 80% affordability is well above the market rent required to support multifamily development. The intent of this program is to encourage production of housing at a rental level that might not otherwise be built in this community, not projects that would likely be built anyway, at a rental level significantly higher than that needed to sustain the project. The Dixon housing market has been shown to provide single family rental housing at \$800 - \$900 per month, which is in the affordability range for the 70% to 80% of median households. Therefore, to allow the exemption for apartment units in this price range would be both contrary to the intent of the program and would render the "20% objective" of Measure B meaningless, as virtually any multifamily project that would be proposed in Dixon would qualify for the automatic exemption.

Owner occupied housing is another matter. The exemption of for-sale housing from the 3% limit is easily justified by the very limited number of low income homeownership opportunities, even for the 70% - 80% segment. It is a priority to the City to foster homeownership opportunities wherever feasible. Therefore, the exemption to **both** the "20% objective" and the overall 3% limitation should be available to any for-sale housing units that can demonstrate their affordability to households on the 70% - 80% of median group.

For Programs 8 to 11:

Responsible Agency:	Community Development Department, Planning Commission and City Council
Time Period:	Establish policy prior to next Measure B allocation; implement during the ongoing allocation reviews, as these occur.
Funding Source:	General Fund and other revenue sources that normally support advance planning and Measure B allocation activities.
Quantified Objective:	95 units (70 multifamily at 20% of total Measure B allocation plus 25 single family for sale units)

Policy 3 - Ensure that adequate sites are available for affordable housing development in the Redevelopment Project Area and on appropriate infill sites.

Program 12 Revise Zoning Ordinance requirement for 7,500 sq. ft. minimum lot size in RM - 2 District; replace with "performance" criteria for open space, setbacks, etc. that provide for adequate living conditions but do not "artificially" constrain small infill sites that could otherwise accommodate "cottage" single family units, duplexes, tri- or 4-plexes at affordable rents.

Program 13: Examine single family zoned vacant infill lots identified by Figure 27 for potential redevelopment or additional development of affordable "cottage single family" or multifamily units; rezone to PMR, PMU or new designation to promote flexibility in densities and uses.

Program 14: Rezone or revise existing zoning to encourage upstairs or "back of the store" living units in downtown commercial areas, where vacant or unutilized space exists.

For Programs 12 to 14:

Responsible Agency:	Community Development Department, Planning Commission and City Council
Time Period:	Initiate research into appropriate development criteria immediately; adopt ordinance revisions by the end of 1995.
Funding Source:	Redevelopment funds, General Fund and other revenue sources that normally support advance planning activities.
Quantified Objective:	50 to 74 units, depending on the number of "senior" units – 25 very low and 25 low income at minimum, possibly higher proportion of very low units if the additional senior units are developed.

Program 15: Review land use designations and initiate rezoning for at least two of the larger (over 3 acres) infill/redevelopment sites identified in Figure 27 that are currently zoned R1-40, CS and/or LI for multifamily development.

Responsible Agency:	Community Development Department, Planning Commission and City Council
Time Period:	Initiate research into appropriate development criteria immediately; adopt ordinance revisions by the end of 1995.
Funding Source:	Redevelopment funds, General Fund and other revenue sources that normally support advance planning activities.
Quantified Objective:	100 units (40 very low and 60 low income).

Policy 4 - Establish additional regulatory incentives for the production of affordable housing

Program 16: Provide incentives such as priority in permit processing, increased density (e. g., continue current density bonus provisions allowing up to 50% bonus over "face" zoning density), altered site development standards, development projects which include at least 20% lower income housing.

Program 17: Continue to assist and "fast-track" processing for Dixon Garden Apartments.

For Programs 16 and 17:

Responsible Agency:	Community Development Department, Planning Commission and City Council
Time Period:	Immediate and Ongoing
Funding Source:	Community Development Department Budget
Quantified Objective:	86 units (Dixon Gardens) - Objective for other lower income multifamily development overlaps with Programs 8 - 15.

Program 18: Continue to encourage Second Dwelling Units on single family properties.

Responsible Agency:	Community Development Department, Planning Commission and City Council
Time Period:	Immediate and Ongoing
Funding Source:	Community Development Department Budget
Quantified Objective:	10 units

Policy 5 - Provide Appropriate Financial Incentives to ensure the construction of Lower Income Housing

Program 19: Using Redevelopment Setaside, HOME, CHFA, CDBG, or other financial means, acquire, and/or assist in the development of one or more sites for lower-income rental housing.

Responsible Agency:	Community Development Department, City Manager, City Council
Time Period:	Identify site and determine appropriate financial assistance by the end of 1995; complete construction of at least one project by the end of 1997.
Funding Source(s):	Federal/State funding mechanisms, where applicable and Redevelopment Setaside funds
Quantified Objective:	100 units (35 units Very Low, 65 units Low @ 70% of median or less) - overlaps with Programs 8 - 16.

Program 20. Continue to participate in the MCC Program with the cities of Fairfield and Suisun City; utilize a combination of MCC's, other State and Federal financing and Redevelopment Setaside funds to provide additional single family (detached or attached) homes at sales prices affordable to the "upper" end of the low income range (70% - 80% of median).

Responsible Agency:	Community Development Department, City Manager, City Council
Time Period:	Ongoing, as entry-level homes are proposed and developed by the private sector; the City may also wish to participate more actively, by identifying one or more sites for acquisition or other, more direct assistance
Funding Source(s):	Federal/State funding mechanisms, where applicable and Redevelopment Setaside funds
Quantified Objective:	25 units @ 70% - 80% of median

Program 21 Distribute available Redevelopment "set-aside" housing subsidies to available sites in neighborhoods throughout the city to avoid the formation of concentrations of such housing

Responsible Agency:	Community Development Department, Planning Commission, City Council
Time Period:	Ongoing, as Programs 17 and 18 are implemented
Funding Source:	General Fund, Redevelopment Setaside funds

Policy 6 - Continue and expand, where possible, the use of federal and state housing assistance programs.

Program 22 Identify, solicit and facilitate federal and state funding, if available, for the construction of additional very low-, low- and moderate-income rental units.

Responsible Agency:	City Manager, Community Development Department
Time Period:	Annually and ongoing
Funding Source:	General Fund, Redevelopment Agency
Quantified Objective:	25 very low and 25 low income units.

Program 23: Work with the County of Solano to maintain funding for Section 8 and other federal subsidy programs.

Responsible Agency:	City Council
Time Period:	Immediate and ongoing

Funding Source:	Not applicable
Quantified Objective:	25 units

GOAL 3: PROTECT AND CONSERVE THE EXISTING HOUSING STOCK WHILE ENSURING THAT NECESSARY HEALTH AND SAFETY REQUIREMENTS ARE MET.

Policy 1 - Discourage condominium conversions of existing rental units if such conversions will adversely affect the supply of affordable rental units.

Program 24: Include requirements and criteria in the Subdivision Ordinance for converting rental apartments to condominiums or cooperative projects (e.g. maintaining a minimum percentage or number of rental units and a minimum vacancy rate before conversions can occur).

Responsible Agency:	City Attorney, Community Development Department
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Time Period:	1995
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Funding Source:	General Fund
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Policy 2 - Conserve and rehabilitate some deteriorating housing units each year.

Program 25 Apply for Community Development Block Grant funding for the purpose of rehabilitating those housing units within the City which are deteriorating. If CDBG funds are not available, utilize Redevelopment Setaside funds; reserve enough Setaside funds to rehabilitate approximately 3 - 5 single family units and/or apartment buildings per year as separate projects. Additional funds may be directed toward rehabilitation of a larger multifamily complex or several units within the same neighborhood.

Program 26. Facilitate maximum utilization of any additional federal and state funds for low-interest loans and grants for the rehabilitation of ownership and rental properties. Publicize availability of funding through the local media, mailings to property owners within targeted areas and to local contractors and developers.

For Programs 25 and 26:

Responsible Agency:	Community Development Department
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Time Period:	1995-1997
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Funding Source:	CDBG, Redevelopment Setaside, other sources as applicable
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Quantified Objective:	15 units
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Policy 3 - Prevent the conversion of identified "At Risk" federally assisted, lower income affordable housing units to market rate rents.

Program 27: Assist a local non-profit housing corporation or other such entity, as appropriate, to acquire and maintain privately-owned, government subsidized housing which could convert to market rate under existing loan agreements. At present, no such development has been

identified. If a project becomes at risk and acquisition by a qualified non-profit housing agency or developer is not feasible (or no qualified and capable non-profits are interested), the City will consider sponsoring the formation of a new local non-profit corporation for the purpose of preserving the affordable units.

GOAL 4: MEET THE HOUSING NEEDS OF SPECIAL POPULATION GROUPS

Policy 1 - Provide housing opportunities for those residents of the City who have special housing needs, including the elderly, the handicapped, the homeless, farm workers, large families and families with female heads of households.

Program 28: Encourage maximum use of available public and private funds specifically designated for the purpose of addressing the special housing needs of the elderly, the handicapped, the homeless, farm workers, large families and families with female heads of households.

Responsible Agency:	City Manager, Community Development Department, Planning Commission, City Council
Time Period:	Annually
Funding Source:	All applicable funding sources (Redevelopment, FmHA, CDBG, etc.)

Program 29: Require at least five percent of multifamily rental units in projects which include twenty or more units to be accessible and adaptable to the handicapped.(Implementation of ADA, California Uniform Building Code requirements.)

Responsible Agency:	Community Development Department (Building Division)
Time Period:	Ongoing
Funding Source:	Multifamily Rental developers

Program 30: Amend the Zoning Ordinance to allow emergency shelters and transitional housing as a permitted use in the RM-1, RM-2 and PM-R zoning districts.

Responsible Agency:	Community Development Department (Building Division)City Council
Time Period:	1995
Funding Source:	Not applicable

GOAL 5: ENSURE THAT ALL CITY RESIDENTS HAVE EQUAL HOUSING OPPORTUNITIES.

Policy 1 - Encourage fair housing practices throughout the City.

Program 31. Adopt a formal policy statement prohibiting discriminatory and unfair housing practices within the City. A procedure should be developed to provide for a mechanism through which aggrieved parties can notify the City of unfair housing practices and through which the City can in turn contact the appropriate local, state, or federal agencies.

Responsible Agency: City Attorney, Planning Commission, City Council

Time Period: Adopt policy in 1995; apply on an ongoing basis.

Funding Source: General Fund

Program 32. Publicize information on fair housing laws and refer all complaints to the U.S. Department of Housing and Urban Development, ECHO and the California Department of Fair Employment and Housing. Make available at City Hall and mail information on state and federal fair housing laws to rental property owners, lenders and real estate agents in the community.

Responsible Agency: City Administration, Community Development Department

Time Period: Ongoing; initiate immediately

Funding Source: General Fund

Program 33: Support state and federal provisions for enforcing anti-discrimination laws.

Responsible Agency: City Attorney

Time Period: As needed

Funding Source: General Fund

GOAL 6: CONSERVE ENERGY AND WATER IN THE DEVELOPMENT OF NEW HOUSING.

Policy 1 - Encourage energy and water conservation designs and features in residential developments.

Program 34: Promote the use of passive and active solar systems in new and existing residential buildings.

Responsible Agency:	Planning Commission, Building Inspector
Time Period:	Ongoing
Funding Source:	General Fund

Program 35 Apply for Community Development Block Grant or other applicable funding to provide for weatherization, insulation installation, and other energy conservation retrofitting to those low-income residents in need of such assistance.

Responsible Agency:	Community Development Department
Time Period:	1995-2000
Funding Source:	General Fund

Program 36: Consider building orientation, ceiling height, street layout, lot design, landscaping and street tree configuration in subdivision review for the purposes of solar access and energy/water conservation.

Responsible Agency:	Community Development Department
Time Period:	Ongoing
Funding Source:	General Fund

Program 37: Continue to ensure that state residential energy conservation building standards are met

Responsible Agency:	Building Inspector
Time Period:	Ongoing
Funding Source:	General Fund

B. QUANTIFIED OBJECTIVES

To demonstrate the extent to which the City can expect to meet its existing and projected housing needs, estimates have been made of potential units to be constructed, rehabilitated, or conserved through the City's housing programs to meet housing needs defined for households with very low, low, and moderate incomes, as shown in **Figure 42**. These numerical estimates or quantified objectives, are reflective of the following considerations:

- 1) The remaining 1988-1995/97 housing needs documented in Chapter 2 that should be met from now until December 31, 1997;
- 2) The available sites that are presently or will be shortly made available as a result of the implementation of the goals, policies and programs spelled out in this Chapter; and
- 3 The recognition that the Legislature's extension of the current planning period does not include the incremental 1995-97 housing needs that will accumulate during this period. It is expected that future ABAG regional needs determinations for the next five - year planning period will "recapture" the additional needs that accumulate during these two years and that they will be added to the next five years' calculations. Therefore, the City's efforts during the next two and one-half years will not stop at simply meeting the remaining needs from previous years but will continue, as additional needs accumulate.

As noted in Chapter II, the need identified by ABAG both for households with moderate and above-moderate incomes through 1995/97 was greatly surpassed by private sector housing production in Dixon, without assistance from any specialized programs, other than general planning policies that assure that land is available and developable. It is assumed therefore that any need identified for the next planning period in the forthcoming Housing Needs Determinations will continue to be met without the utilization of specific housing programs. Further, Chapter III demonstrates that more than enough land (sites) are available for housing development to keep pace with the overall housing unit needs for a number of years to come, even beyond the next planning period. As a result, **Figure 42** does not include any objectives for moderate or above-moderate income households except for the programs under the first goal of meeting the total regional need. It is further assumed that the proportion of moderate and above-moderate income housing produced from both existing developments already underway and future annexations will continue to be the same as was the case during the previous seven years. That is, about 46% of the unassisted, new for sale and rental housing will continue to be affordable to moderate income households. **Figure 42** also indicates the annual average number of units to be constructed, conserved or rehabilitated for each of the three Housing Element Goals.

Figure 42 provides a breakdown of the projected housing projects and locations that will meet these needs. As shown, the majority of the low and very low income housing is located within the Redevelopment/Downtown and Dixon Gardens complex. Most of the moderate and above moderate housing is located in new single family subdivisions.

Figure 42

**OBJECTIVES FOR NUMBER OF UNITS FOR LOW- AND
MODERATE-INCOME HOUSEHOLD CATEGORIES: 1995-1997+**

	Income Category			Total Low/Mod. Needs
Housing Programs:	Very Low	Low	Moderate	
GOAL 1: Provide for Total Regional Need				
Programs 1-7	—	—	178 ¹	178
¹ Assumes continued production of 130 units/year average from 1988 - 1994, for the years 1995- Also assumes continued proportion of moderate income units of 45.8% of market rate for sale units. (130 x 3 x .458 = 178)				
GOAL 2: Provide for Lower Income Housing				
Programs 8-11	30	65	—	95
Programs 12-14	25	35	—	50
Program 15	40	60	—	100
Programs 16-17	(86 Units Overlaps Programs 8-15)			
Program 18	10	—	—	10
Program 19	(100 Units Overlaps Programs 8-17)			
Program 20	—	25	—	25
Programs 21-22		25		25
TOTAL NEW CONSTRUCTION	130	165	—	305
Program 23	25	—	—	25
GOAL 3: Housing Conservation and Rehabilitation				
Program 24	Not Quantifiable)			
Programs 25-27	15	—	—	

GOALS 4-6: Not Quantifiable in terms of Regional Share Needs

Summary (Totals) of Quantified Objectives				Total	
	Very Low	Low	Mod- erate	Low/ Mod.	Above Moderate
Total New Units To Be Constructed:	130	165	178	473	100
Total Conserved					
Rehabilitated:	15	—	—	15	
Subsidized:	25	—	—	25	
Combined Units	170	165	178	513	100
3-Year Average Annual Yield	43	55	60	171	33
 Remaining Housing Need 1995-97 (See Chapter II)	127	83	—	210	—

FIGURE 43

Sources of Projected Housing Production 1995-1997+

	Infill/Multifamily	Outside RD.	SF For Sale	Hsg Authority		
<u>Dixon Gardens</u>	<u>RDA/Downtown</u>	<u>Multifamily</u>	<u>New Subdivisions</u>	<u>Section 8</u>	<u>Rehab. 2nd DU</u>	<u>TOTAL</u>
35	50	45	0	25	10	165
51	84	55	0	0	0	190
0	10	0	168	0	0	178
0	5	0	207	0	0	212
86	149	100	375	25	10	745

V. HOUSING ELEMENT UPDATE PROGRAM: PROCESS AND CONCLUSIONS

A. PUBLIC PARTICIPATION

The 1994 Housing Element Update has been prepared to satisfy the requirements of state housing law. In addition, it updates and modifies descriptions of programs and quantified objectives according to changes that have occurred since the last Housing Element was adopted in 1984.

The City of Dixon sought to achieve participation of all economic segments of the community in the development of the Housing Element Update. The Update was the subject of a joint study session before the Planning Commission and City Council, and subsequent hearings of the two bodies were open to the public. Notification of these meetings and hearings were provided in a local newspaper. Notification was also sent directly to the Vallejo Housing Authority, which administers the Solano County Section 8 certificates and vouchers which are allocated to Dixon through that program. Notification was further provided to the Solano Organizing Committee, a local nonprofit housing advocacy group in Dixon and the Solano Affordable Housing Foundation, a Fairfield-based nonprofit housing corporation. A general notification process was also carried out for the state-mandated environmental review document, in which citizens and other public agencies had the opportunity to comment.

B. APPROPRIATENESS AND EFFECTIVENESS OF THE HOUSING ELEMENT

This Updated Housing Element, which presents the City of Dixon's housing goals, policies, and programs, is intended to contribute to the State housing goal by:

- Supporting increased housing availability by identifying adequate sites, support programs, and appropriate techniques for housing construction and rehabilitation;
- Identifying opportunities for cooperation between the public and private sectors through density bonuses, housing rehabilitation, and other programs; and
- Supporting housing affordability through new single-family and multi-family housing construction, use of manufactured housing, creation of secondary living units, construction of senior housing, and other methods.

While the existing Housing Element has assisted the City in attaining its housing goals, this Updated Element expands its effectiveness by providing greater detail regarding the City's housing programs, by updating information regarding the availability of certain programs, and by reflecting changed conditions since adoption of the earlier Element.

C. PROGRESS IN IMPLEMENTATION

Overview

Planning was a difficult process in Dixon during the 1980s, which witnessed significant changes in planning philosophy and the direction of growth. However, during this period the City was active in pursuing various affordable housing projects and programs.

The 1981 General Plan, as adopted, was essentially a "No Growth" plan because it established unrealistic objectives for growth and future residential development without designating adequate land to accommodate them. The 1981 General Plan was based on the assumption that large areas of existing housing would be converted to higher density housing.

In 1985, faced with problems related to the adequacy of the General Plan and challenges to the direction of growth it provided, the City initiated a comprehensive General Plan Update to allow for additional residential development and future annexations. During the development of the General Plan Update, a local group promoting limited growth was instrumental in the 1986 passage of Measure B, which limited future residential growth to 3 percent annually. This growth control measure dictated a revision of the General Plan Update to achieve consistency with Measure B. When it was adopted in 1987, the General Plan Update incorporated a 3 percent limitation on annual residential growth.

In 1988, the City was in the process of revising the Housing Element to bring it into conformity with State housing legislation when developers and property owners challenged the implementation direction of the newly adopted General Plan Update. This challenge occurred during a period of high growth and rapid development throughout California, and in Dixon, sixteen annexation proposals and General Plan Amendments were filed with the City during 1988 and 1989. Had all of these annexation proposals and General Plan Amendments been approved, the population of Dixon would have increased from 10,000 to 40,000, and the City would have quadrupled in land area. In 1989, the City suspended work on updating the Housing Element and initiated an evaluation to determine how development along the I-80 Corridor might be affecting Dixon. This evaluation, in turn, led to another comprehensive update of the General Plan, which concluded with the adoption of the new Dixon General Plan in December, 1993. The 1993 Dixon General Plan designates sufficient land to adequately accommodate all types of housing. The Housing Element submitted for review has been updated and revised to be consistent with the newly adopted General Plan.

The new Housing Element reflects a recognition of the need to take effective and appropriate actions to promote the development of affordable housing in Dixon. The goals, objectives and policies presented in the Housing Element are supported by the community, and the City will actively seek ways to implement the programs. However, the City of Dixon has a very limited staff. Due to current budget constraints, staffing in the Community Development Department has recently been reduced. The City has looked at a number of different alternatives to utilizing its own staff resources in implementing local housing programs, such as having the housing staff from Vacaville help implement and administer housing programs.

The formation of the Central Dixon Redevelopment Project will provide additional tools and funding mechanisms for housing revitalization in the older section of town, and all housing projects proposed in the Redevelopment Area are exempt from the annual 3 percent growth limitation established by Measure B. This exempt status has already encouraged the development of several small apartment projects in the Redevelopment Area.

The City's current (1981) Housing Element outlines goals to ensure that the housing needs of all economic segments of the community are adequately provided for. Goals in the following areas were established:

1. Protect and conserve the existing housing stock.
2. Balance the housing market by increasing housing opportunities.

3. Encourage provision of affordable housing.
4. Insure equal housing opportunities for all Dixon residents.
5. Provide for a variety of housing types and tenure.
6. Promote housing programs between the City, citizens and private sector.

Policies dealing with Housing Supply, Housing Affordability, Conservation of Existing Housing Stock, Special Housing Needs, Inter-jurisdictional Cooperation and Energy Conservation were established. Programs dealing with policies were provided for.

Housing Supply

Program 1: Help identify, facilitate and solicit Federal and State funding, if available, for the construction of rental units and low and moderate single family units.

Comments: A resource library of housing information is maintained by the Community Development Department. Information concerning all types of federal, state and private housing programs has been collected and is available for use.

The City has worked with various residential developers to provide assistance in developing expanded housing opportunities. The City worked with the developers of the 32-unit Dixon Manor Apartment project to secure financing from the California Housing Finance Authority. Twenty percent of the units in that project were below-market-rate apartments, reserved for low-and moderate-income families. The City assisted several developers of potential senior housing and congregate care housing projects in their efforts to attain federal funding through the Farmers Home Administration. Projects such as the proposed Park Dixon Senior Citizen and Retirement Facility (a 100-room congregate care facility and 32 senior citizen cluster housing units), Chardonnay Senior Congregate Care (60 units) and Dickson Creek Senior Housing Complex (20 apartments, 27 zero lot line homes and a 58-bed congregate care facility) all explored federal, state and private financing options. The main problems encountered in each case were either the lack of available funds for these projects or the low rating, due to the limited size of Dixon's potential market.

Program 2: Consider establishing a new Housing Authority to enable the City to focus on and undertake a full range of housing programs when such an organization is apparently needed.

Comments: The City has been evaluating the need for a new Housing Authority on an on-going basis. The City currently sponsors the Dixon Housing Authority, which operates the Dixon Migrant Housing Complex. The board members of the Authority are appointed by the City Council. The Dixon Housing Authority was able to relocate a substandard migrant camp from the City's wastewater treatment plant to a remodeled facility at the old Naval Communications complex. This new migrant camp has remodeled, up-to-date units.

The City has also initiated discussion with the City of Vacaville's Redevelopment and Housing Authority about the possibility of joint administration of housing programs, and is continuing to explore a joint cooperative effort in which the City of Vacaville would assist in the implementation and management of various housing programs. This cooperative effort would save on the startup costs for Dixon and would maximize available expertise and resources.

Program 3: Include in the Subdivision Ordinance, requirements and criteria for converting rental apartments to condominiums or cooperative projects....

Comments: This program has not been a high priority item with the City, since Dixon is a rural community that is dominated by single family-oriented housing and generally does not cater to, or attract, condominium-type development. Currently there are no residential condominiums or cooperative housing projects in Dixon. There has not been any request or interest in converting existing rental units to condominiums. The City is monitoring the situation, and will consider the enactment of appropriate legislation when timely.

Housing Affordability

Program 4: Identify, facilitate and solicit Federal and State funding assistance, if available, for mortgage assistance and rent subsidies.

Comments: The City maintains a resource library with information on various federal and state housing programs. The library has information on all applicable housing programs that are available to assist City staff, local residents and potential developers for affordable housing projects.

The City of Dixon, in a joint effort with the Solano Affordable Housing Foundation, the City of Fairfield, the City of Suisun and the County of Solano, is participating in the Mortgage Credit Certificate Program for first-time home buyers. Two housing projects in Dixon are using the MCC program to qualify first-time buyers in entry level single family home purchases, along with individual sales of older homes. This program was initiated in 1992, with the authority from the State to issue \$20,000,000 in MCC mortgages for the participating agencies. Based on the mortgage amounts, approximately 170-200 MCCs could be issued with this allocation, with Dixon's share to be 30-40 MCCs. The City of Dixon is prepared to cooperate in future issues as the need arises.

Program 5: The City will establish a program to periodically review the General Plan to ensure that the document meets the City's current needs....

Comments: The City Council has maintained a five-year schedule to review the General Plan, to ensure that the document meets the current aspirations of the City and that it provides an extended planning period. The City has recently concluded a five-year update of the Dixon General Plan. This Housing Element reflects the 1993 General Plan goals and policies.

Protect and Conserve Existing Housing Stocks

Program 6: Previous program deleted.

Comments: Not applicable.

Program 7: Apply for small Community Development Block Grant funding for the purpose of rehabilitating those housing units within the City which are deteriorating.

Comments: The City has not applied for any CDBG funding for rehabilitation purposes. However, the Central Dixon Redevelopment Project has been established, and the Redevelopment Plan has identified areas targeted for housing rehabilitation. Once the Housing Element is certified, the City intends to apply for CDBG funds to be used for a full range of housing programs in conjunction with the use of redevelopment housing funds.

Program 8: Encourage maximum utilization of Federal and State funding for low interest loans and grants for the rehabilitation of ownership and rental properties.

Comments: The City has worked with prospective developers in determining appropriate ways to utilize federal and state funds for rehabilitation work. However, due to project size and other limitations, the formal application process to obtain these funds was not pursued by these developers. Many privately-financed rehabilitation efforts by local property owners have been accomplished. The City will seek all available means to make rehabilitation funds available to qualified homeowners.

Special Housing Needs

Program 9: Encourage maximize use of available public and private funds to help provide for the special housing needs of the elderly, handicapped, single parents and large families.

Comments: The City has worked cooperatively with several developers in an attempt to secure financing for proposed senior housing projects. The City has assisted several potential developers of senior housing and congregate care housing projects in obtaining federal funds through Farmers Home Administration and HUD. Projects such as the proposed Park Dixon Senior Citizen and Retirement Facility (100-room congregate care facility and 32 senior cluster housing units), Chardonnay Senior Congregate Care (60 units) and Dickson Creek Senior Housing Complex (20 apartments, 27 zero lot line homes and a 58-bed congregate care facility) all explored federal, state and private financing options. The main problems encountered in each case were either the lack of available funds for these projects or the low rating, due to the limited size of Dixon's potential market.

Program 10: Distribute available housing subsidies to available sites in neighborhoods throughout the City to avoid formation of concentration of such housing.

Comments: The City's General Plan and Zoning Ordinance provide for a wide range of housing opportunities in all areas of the City. Planned mixed-density projects are encouraged. The Watson Ranch PUD is a mixed-use, mixed-density development on 120+ acres that includes a number of multiple family units. This project includes 20 below-market-rate rental apartments financed by California Housing Finance Authority, 49 HUD Section 8 apartment rentals and 20 Solano County Housing Authority rentals, 49 duplexes (98 total units) and several hundred single family homes.

Program 11: Adopt a policy prohibiting discriminatory and unfair housing practices within the City. A procedure should be developed to provide for a mechanism through which aggrieved parties can notify the City of unfair housing practices and through which the City can, in turn, contact the appropriate local, state, or federal agencies.

Comments: The City has reviewed this policy and has determined that due to the City's limited staff and expertise in this area, it would be more efficient to handle these types of complaints through the existing state and federal agencies which deal with these problems on a regular basis. This would eliminate an unnecessary layer of bureaucracy and enable the problems to be addressed by those agencies with appropriate authority and enforcement powers. The City does not have information about the appropriate state and federal agencies to contact in a discrimination and unfair housing practice complaint.

Interjurisdictional Cooperation and Coordination

Program 12: Cooperate to the maximum extent feasible with all public agencies, special districts, non-profit housing organizations and local lending institutions in mutual efforts to provide affordable housing.

Comments: The City has initiated discussions with the City of Vacaville regarding the utilization of and/or contracting with their established Redevelopment and Housing Agencies to establish and manage a housing program for Dixon. Vacaville housing staff members participated in a joint City Council/Planning Commission Housing Workshop to explore these possibilities.

The City has worked with Solano Affordable Housing Foundation, the City of Fairfield, the City of Suisun and the County of Solano in the implementation of a Mortgage Credit Certificate Program. This has been a successful program that provided opportunities for first time home buyers to qualify for entry level ownership housing

Program 13: Prepare and utilize a format for evaluating immediate and long range public service capabilities and cost resulting from new development in order to assure the City's ability to provide and maintain necessary public improvements in new and existing neighborhoods.

Comments: Master Plans for Drainage and Wastewater Treatment have been completed. The City of Dixon, in a joint powers agreement with the Solano Irrigation District, has formed the Dixon-Solano Municipal Water Service. DSMWS has developed a Water System Master Plan. The City has completed a nexus study and has adopted AB 1600 impact fees to cover the costs of future infrastructure. At the request of Dixon Unified School District, the City has adopted school impact fees for new development, sufficient to cover the cost of acquiring school sites and the construction of facilities.

Energy Conservation

Program 14: Promote the use of passive and active solar systems in new and existing residential buildings

Comments: All multiple family residential projects and major single family projects are subject to design review by the Planning Commission. The design criteria encourages the use of passive and active solar systems.

The City has taken the lead in energy conservation on several City projects. City Hall was built with skylights for additional light support. An active solar electric generating system was installed on the roof of City Hall and has been in continuous operation for over seven years. The recent renovations of the aquatics complex include solar water heating for the showers and wash area.

Program 15: Apply for small Community Development Block Grant funding, a request for funds to provide for weatherization, insulation installations and other energy conservation retrofitting.

Comments: The City has not made an application for CDBG funding for this purpose. However, applications for CDBG funding for this purpose (along with other housing programs) will be considered.

Program 16: Continue to ensure that State residential energy conservation building standards are complied with.

Comments: Energy conservation requirements are strictly enforced by City of Dixon building officials during plan checks and field inspections.

APPENDIX A

HOUSING DEFINITIONS

APPENDIX A

HOUSING DEFINITIONS

Adequate Housing: Housing which is structurally sound, water-tight and weather-tight, with adequate cooking and plumbing facilities, heat, light and ventilation; and contains enough rooms to provide reasonable privacy for its occupants. Is within the economic means of the households who occupy it.

Affordability: Refers to the amount paid for shelter; a household is considered to have problems with affordability if they occupy a unit at a cost greater than 25 percent of gross household income.

Amenity: Any service or facility which extends beyond the definition of adequate housing.

Association of Bay Area Governments (ABAG): The council of governments established by local governments in the Bay Area to facilitate regional planning for the area.

Council of Governments: An organization created to undertake planning and whose membership is composed of elected officials of local governments in the planning area; an organization recognized as an areawide planning organization by the Federal Department of Housing and Urban Development.

Department of Housing and Community Development (HCD): The department of California State Government which has responsibility for housing policy and programs. HCD establishes the guidelines for preparation of local housing elements, prepares the statewide housing element, and offers technical assistance to local jurisdictions.

Department of Housing and Urban Development (HUD): The department of the federal government which administers a variety of housing programs. These include Section 8, Section 202, and the Community Development Block Grant program. HUD also determines the median household income on an annual basis for certain urban areas. In California, HCD and many cities have used this median income to define income groups. These income ranges are used in measuring the extent of housing needs and the effectiveness of housing programs. The median income refers to the point in the range of incomes for an area at which half of the households are earning less and half are earning more.

Deteriorated: Refers to a housing unit which in its present state has obvious defects and moderate evidence of exterior wall, foundation, roof, chimney and doorway wear.

Dilapidated: A housing unit which presently has severe defects in exterior conditions and is no longer safe shelter against the weather. This unit should be rebuilt or demolished.

Family: Refers to a householder and one or more persons living in the same household who are related to the householder by birth, marriage, or adoption.

Disabled Persons who have a physical impairment or mental disorder which is expected to be of long or indefinite duration and is of such a nature that the person's ability to live independently could be improved by more suitable housing conditions.

Household: All persons occupying a single dwelling unit.

Housing Costs: For rental units: Gross monthly rent payments, excluding the cost of utilities.
For homeowner units: Gross monthly housing payments, including interest and principal payments on mortgage, property taxes, and insurance, but excluding the costs of utilities.

Housing Unit: The place of permanent or customary and usual abode of a person, including a single-family dwelling, a single unit in a two-family dwelling, multi-family or multi-purpose dwelling, a unit or condominium or cooperative housing project, a nonhousekeeping unit, a mobile home, or any other residential unit which is considered to be real property under State law or cannot be moved without substantial damage or unreasonable cost.

Income: Salary and/or wages, interest from assets, tips, pensions, assistance grants.

Large Family: A family of five or more persons.

Market-Rate Households: Households which, as determined by the allocating entity, have the financial capability to meet their housing needs without sacrificing other essential needs.

Needing Rehabilitation: Refers to a housing unit which in its present state materially endangers the health, safety, or well-being of its occupants in one or more respects.

Non-Market-Rate Households: Households which, as determined by the allocating entity, do not have the financial capability to meet their housing needs without sacrificing other essential needs.

Overcrowded: Households which have 1.01 or more persons per room are considered to be overcrowded.

Senior Citizens: Persons age 65 or over.

Suitability/Habitability: Refers to the condition of a housing unit; households living in units requiring rehabilitation or replacement are considered to have needs with respect to suitability.

APPENDIX B

HOUSING PRODUCTION 1988 - 1994

SUBDIVISION REPORT
BY
SQUARE FOOTAGES
FROM 1989 - 1994

CHERRY GLEN

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1855	4	20	\$155,000.00
2158	4	20	\$175,000.00
2315	4	24	\$185,000.00
1875	4	2	
1980	4	4	
2150	4	3	
2500	4	1	

74

TOTAL

Total sq_ft 156,360

Avg sq_ft 2,113

Small Builder

CONNEMARA

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
2422	3	12	\$229,000.00
2578	3	6	\$239,000.00
2632	3	11	\$249,000.00
2978	4	13	\$269,000.00
3105	3	12	\$305,000.00

54

TOTAL

Total sq_ft 149,458

Avg sq_ft 2,768

COUNTRY FAIRE

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1089	3	9	\$127,000.00
1297	3	11	\$136,000.00
1404	3	12	\$142,000.00
1505	4	5	\$152,000.00
1542	3	3	\$162,500.00
1545	3	5	\$142,500.00
1645	4	1	\$162,500.00
1850	4	1	\$175,000.00

46

TOTAL

Total sq_ft 64,287

Avg sq_ft 1,398

DIXON GLEN

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1874	4	13	\$165,000.00
2418	4	47	\$182,000.00
2653	4	35	\$200,000.00
		95	TOTAL

Total sq_ft 230,863
Avg sq_ft 2,430

DIXON STATION

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1374	4	24	\$135,000.00
1649	4	24	\$142,000.00
1736	4	27	\$150,000.00
		75	TOTAL

Total sq_ft 119,424
Avg sq_ft 1,592

GENERATIONS

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1135	2	6	\$130,000.00
1265	3	12	\$135,000.00
1480	3	21	\$140,000.00
1555	4	11	\$143,000.00
1693	4	0	\$150,000.00
1850	4	0	\$160,000.00
		50	TOTAL

Total sq_ft 70,175
Avg sq_ft 1,404

MAYFAIR ESTATES

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1720	4	5	\$160,000.00
1908	3	7	\$170,000.00
2024	4	18	\$170,000.00
2138	4	2	\$172,000.00
2249	4	22	\$175,000.00
2428	4	14	\$185,000.00
2528	4	3	\$190,000.00
		71	TOTAL

Total sq_ft 153,718
Avg sq_ft 2,165

MAYFAIR JUNCTION

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1368	4	4	\$156,000.00
1564	4	1	\$165,000.00
1651	4	1	\$175,000.00
1760	4	1	\$180,000.00
1908	4	9	\$185,000.00
2024	4	13	\$190,000.00
2138	4	1	\$200,000.00
		30	TOTAL

Total sq_ft 56,069
Avg sq_ft 1,869

NEW BEGINNINGS

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE FROM	TO
1237	3	15	\$127,000.00	\$135,000.00
1415	3	10	\$135,000.00	\$148,000.00
1580	3	25	\$148,000.00	\$153,000.00
1754	4	23	\$153,000.00	\$164,000.00
1954	4	6	\$164,000.00	\$169,000.00
2108	4	7	\$169,000.00	\$173,000.00
		86	TOTAL	

Total sq_ft 124,271
Avg sq_ft 1,445

MULTI-FAMILY

No.	TYPE	TOTAL SQ FT	TYPE OF BEDROOM			FAMILY UNITS
			1	2	3	
2	FOUR-PLEX	3972		4	4	8
1	FOUR-PLEX	4116		1	3	4
1	FOUR-PLEX	2975		1	3	4
1	TRI-PLEX	3388			3	3
2	DU-PLEX	3960		2	2	4
2	TRI-PLEX	6900			6	6
1	DU-PLEX	3024			2	2
2	TRI-PLEX	6230			6	6
						37

Total sq_ft 48,727
Avg sq_ft 4,430

PHEASANT RUN, UNIT 1

SQ FT	BEDROOMS	UNITS BUILT
1587	3	4
1630	3	3
1775	3	7
1870	4	11
2150	4	3
2250	4	1
2400	4	7
2962	4	2
		38
		TOTAL

Total sq_ft 75,657
Avg sq_ft 1,991

Small Builder

REGENCY PARK

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1648	3	10	\$127,000.00
1700	3	4	\$137,000.00
1840	4	5	\$142,000.00
1872	4	20	\$152,000.00
1936	4	6	\$160,000.00
2083	4	4	\$173,000.00
2096	4	16	\$182,000.00
2444	4	14	\$190,000.00
2583	4	10	\$203,000.00
		89	TOTAL

Total sq_ft 183,450
Avg sq_ft 2,061

SUNFLOWER

Pheasant Run, Unit 3

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1095	3	32	\$120,000.00
1315	3	34	\$130,000.00
1475	4	31	\$137,000.00
		97	TOTAL

Total sq_ft 125,475
Avg sq_ft 1,294

THE COURTS

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1731	4	2	\$150,000.00
1762	4	4	\$152,000.00
1780	4	3	\$153,000.00
1794	4	4	\$154,000.00
1960	4	1	\$160,000.00
		14	TOTAL

Total sq_ft 24,986
Avg sq_ft 1,785

WILDFLOWER

Pheasant Run, Unit 5

SQ FT	BEDROOMS	UNITS BUILT	SALE PRICE
1095	3	12	
1315	3	14	
1475	4	17	
		43	TOTAL

Total sq_ft 56,825
Avg sq_ft 1,317

APPENDIX C

1994 APARTMENT RENTAL SURVEY

1. Ty-Del Apartments I & II
425 W. Chestnut St.

FmHA

Phase	I	II
	Basic/Mrkt/Util.	Basic/Mrkt/Util.
12 - One-bedroom -	\$325/\$475/\$25	\$377/\$540/\$27
42 - Two-bedroom -	\$315/\$465/\$40	\$367/\$520/\$39

COMMENTS: This complex is over 20 years old with Phase II built two years after I. The grounds are run down and need maintenance. Units come with stove, refrigerator, disposal, carpeting, air conditioning, and window coverings. Apartment amenities include two laundry rooms, a tot lot, and carports for residents. All units in this complex are subsidized. Tenant profile is mixed with about 10 seniors. Lease terms are yearly. Currently there is a waiting list of two to three years, an significant increase compared to last years waiting list of one to two years.



2. Walnut Ranch Apartments - 95 units
1340 Pitt School Rd.

Section 8

8 - One-bedroom - \$475
71 - Two-bedroom - \$575
16 - Three-bedroom - \$695

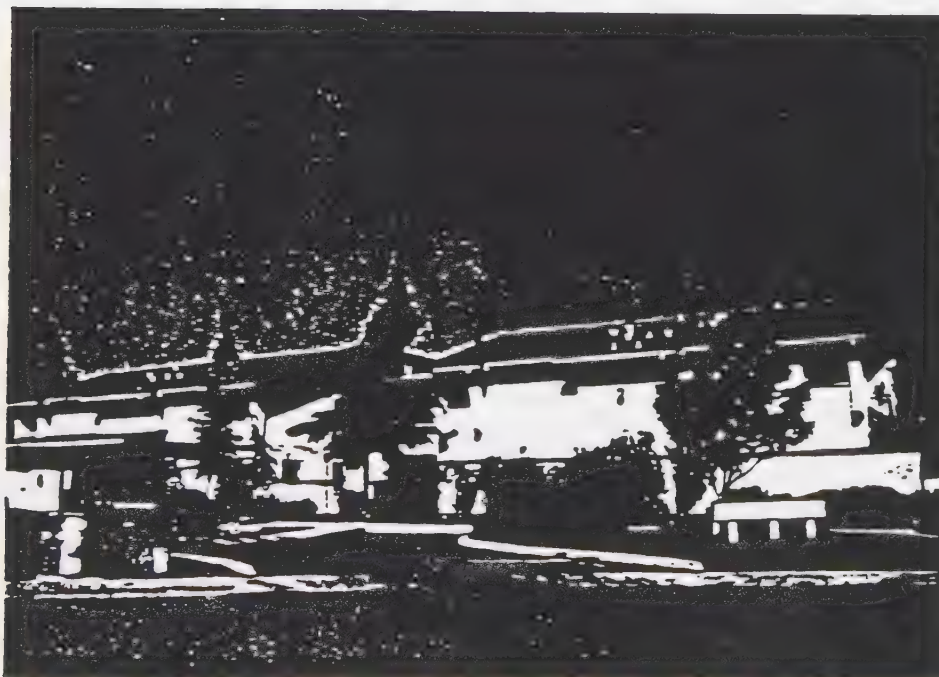
COMMENTS: Built in 1982, this complex is in excellent condition. Grounds are well kept and complex amenities are unique to the area: such as a pool, community room, jacuzzi, and barbecue area. Complex also provides a tot lot and carports for residents. Units come with complete utilities. Lease terms are month to month and 19 units are HUD Section 8 subsidized. Resident profile is mixed with about 10 seniors. All one-bedroom and three-bedrooms are full, there are some two-bedroom vacancies. Management is currently running a "\$500 moves you in" special on two-bedroom units (deposit + 1st months rent = \$500).



3. Dixon Manor Apartments - 32 units
1270 Linford Ln.

32 - Two-bedroom - \$550-650

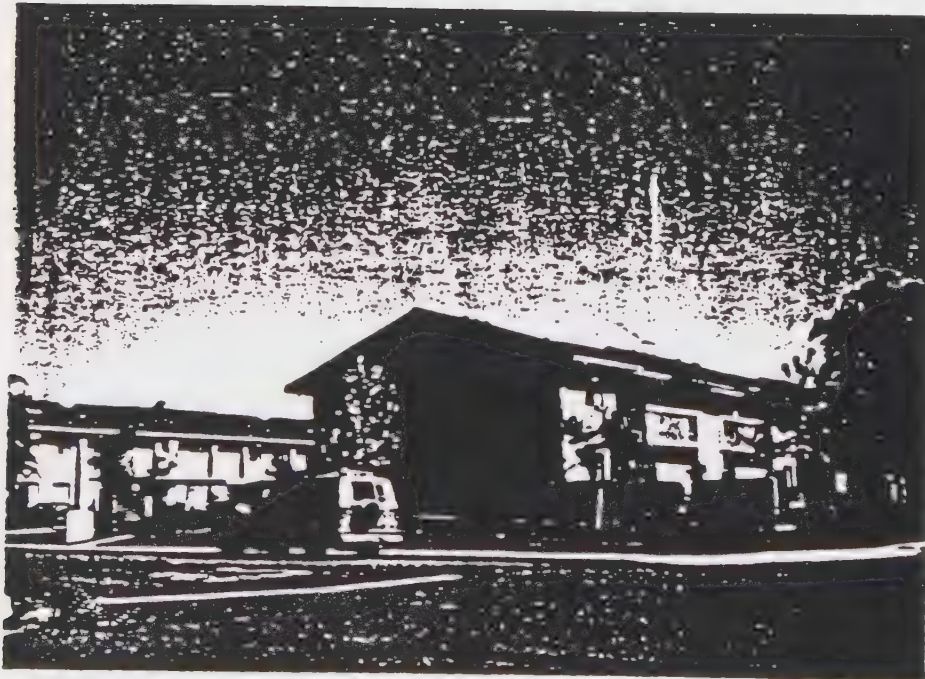
COMMENTS: This seven year old complex is in very good condition. Grounds are clean and well manicured. Units are about 1,000 square foot. Units come with a stove, refrigerator, dishwasher, disposal, washer and dryer, carpeting, air conditioning, and window coverings. Complex amenities include patio or balcony, a tot lot, and carports for residents. Resident profile consists mainly of family and singles with no seniors. Lease terms are month to month at \$650 rent, and twelve months at \$550 rent. There are more vacancies during the summer with seven vacancies last year. Currently all units are full and there is no waiting list.



4. Watson Ranch Apartments - 32 units
1250 Watson Ranch Wy.

32 - Two-bedroom - \$610

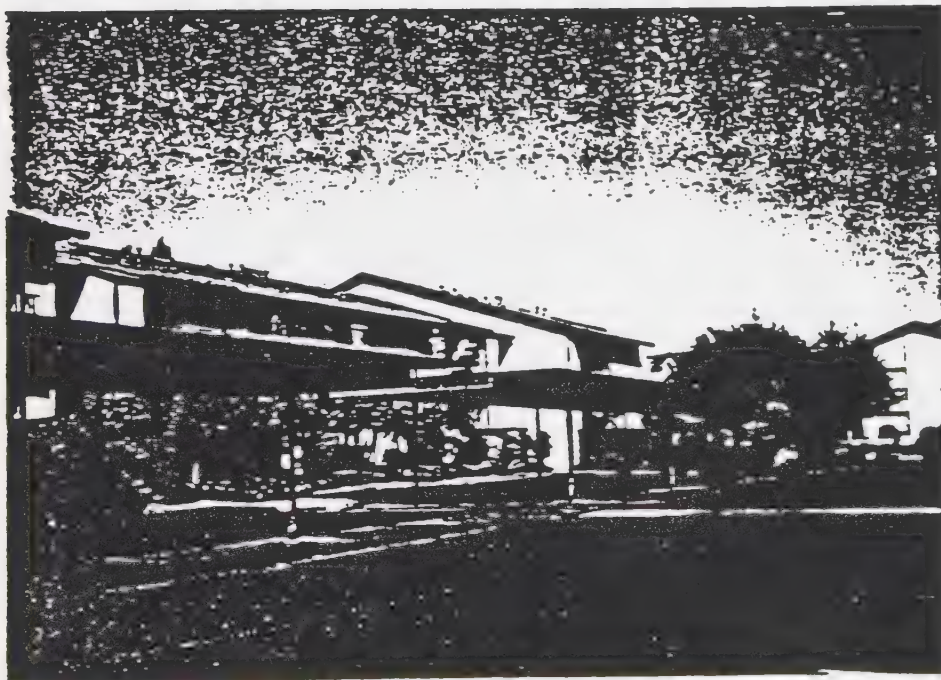
COMMENTS: About ten years old, this complex is in very good condition. Grounds are in good condition with minimal landscaping. The square footage of each unit is 882 square feet. Units include stove, refrigerator, dishwasher, disposal, washer and dryer, carpeting, air conditioning, and window coverings. The only apartment amenities are carports for residents. Lease terms are month to month and resident profile is primarily families with one senior resident. Average vacancy is six per year.



5. Summerfield Apartments - 104 units
430 Ellesmere Dr.

24 - One-bedroom - \$490
80 - Two-bedroom - \$535

COMMENTS: This 13 year old complex is in good condition with nice landscaping. Units come with complete amenities, while apartment amenities only include residential carports. The size of one-bedroom units is 665 square feet and for two-bedroom units 885 square feet. Most of the residents are families with about 10 seniors. Lease terms are month to month. This complex has experienced a high turnover rate, with 130 units in the last year and a half. There is a currently 18 vacancies. Management is currently offering a "\$450 moves you in" special on their one-bedrooms (\$250 deposit + 1st months rent).



6. Raftery Building - 7 units
145 N. Second St.

7 - One-bedroom - S425

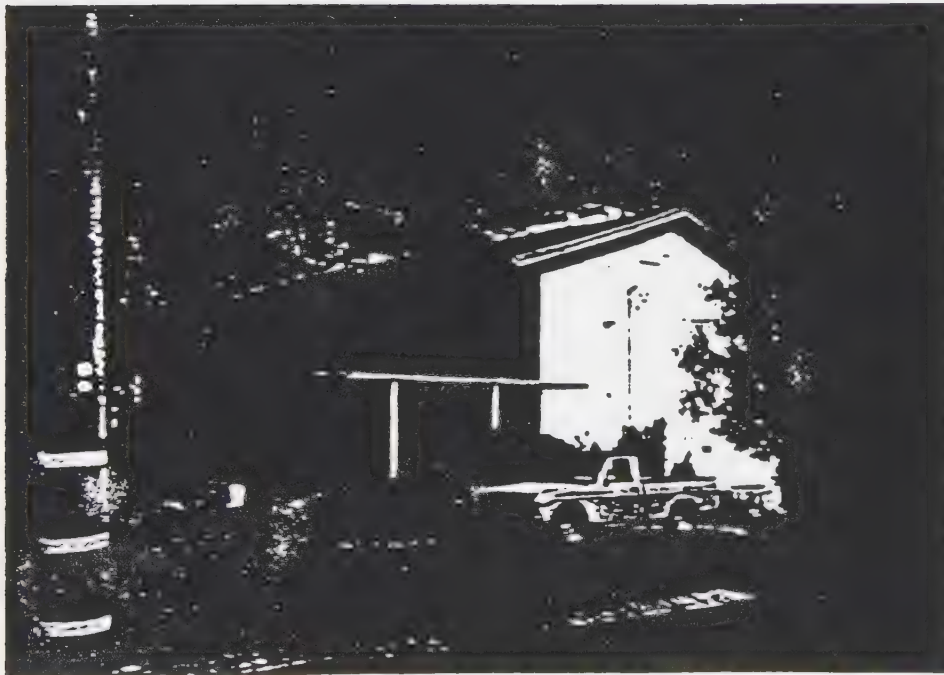
COMMENTS: These seven units are built above a set of evacuated law offices. The complex is in poor condition and landscaping is nonexistent. Units come with stove, refrigerator, disposal, carpeting, and air conditioning. Lease terms are month to month and six months. Resident profile is primarily farm worker families. Currently there is one vacancy.



7. Birchwood Place Apartments - 36 units
266 West "H" St.

36 - Two-bedroom - S457-525

COMMENTS: Built in the 1940's, this building is in poor condition with minimal landscaping. Units come with stove, refrigerator, carpeting, air conditioning, and window coverings. Apartment amenities include a laundry room and carports. Residents are all farm labor workers and as a result turnover is high. Between the months of September through November the turnover rate is at its highest. Currently there are 11 vacancies plus four more in November.



8. 461 S. Jefferson St. - 7 units

7 - Two-bedroom - \$550

COMMENTS: Complex is in fair condition with no landscaping. Units come with stove, refrigerator, disposal, carpeting, air conditioning, and window coverings. Complex amenities include laundry room and carport for residents. Lease terms are month to month. One Vacancy.



9. 1030 Newgate Wy. - 4 units

4 - Two-bedroom - S515-525

COMMENTS: Complex is poor and run down with no landscaping. Units include stove, refrigerator, disposal, carpeting, air conditioning, and window coverings. Carports are available for residents. Lease terms are month to month. Resident profile primarily farm labor families. Three vacancies.

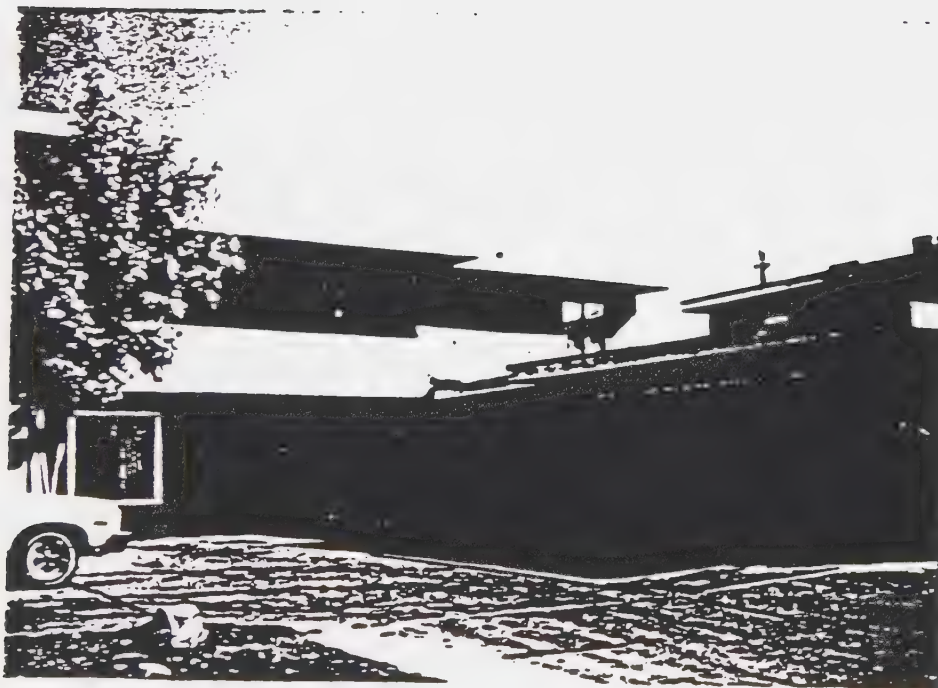
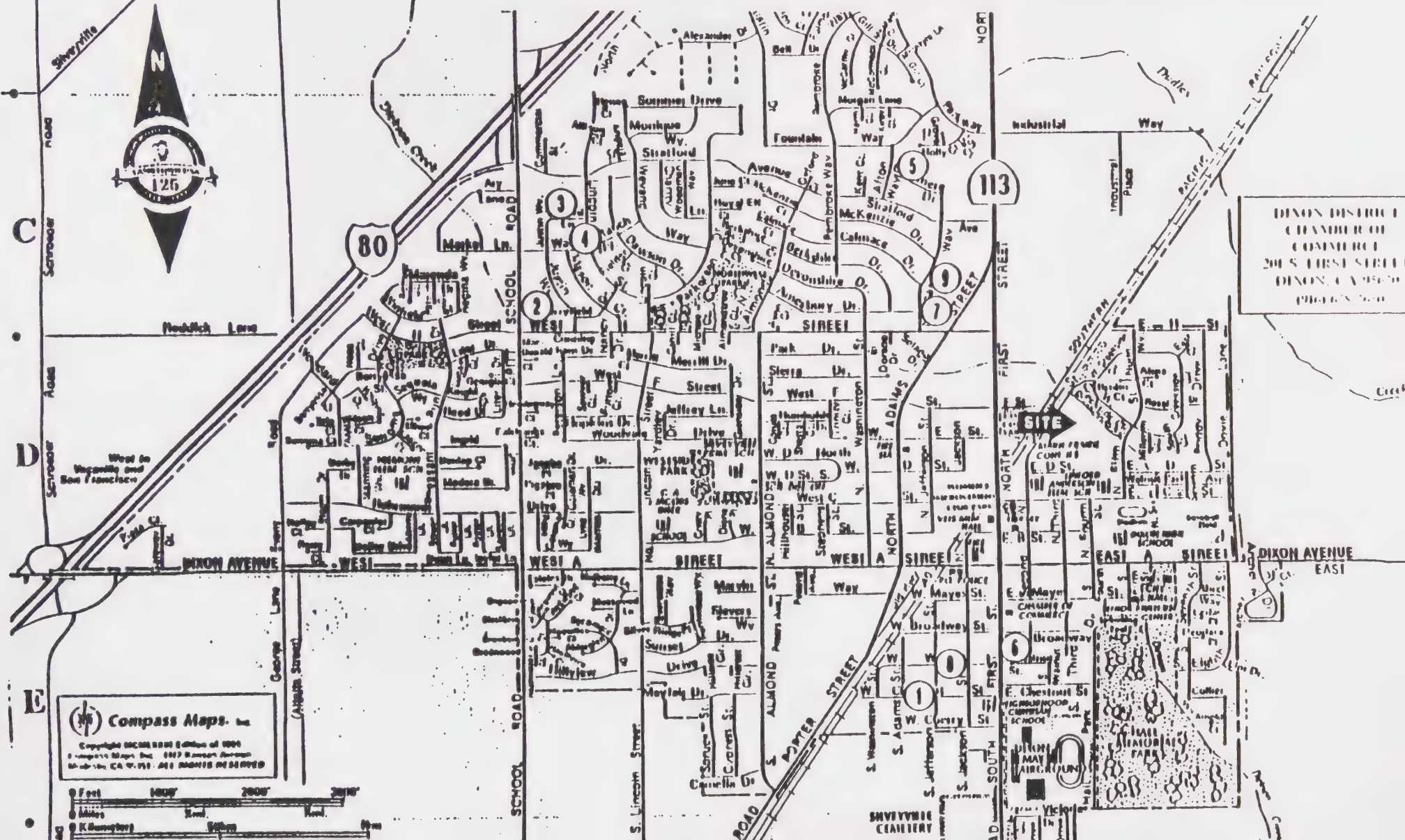




EXHIBIT 4 LOCATION OF MULTIPLE UNITS



DIXON DISTRICT
CHAMBER OF
COMMERCE
201 S. FIRST STREET
DIXON, CALIF. 95620
(916) 932-7000

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0 Feet 1000' 2000' 3000'
0 Miles 10 Miles 20 Miles
0 Kilometers 10 Kilometers 20 Kilometers

APPENDIX D

OVERPAYMENT METHODOLOGY

APPENDIX D

OVERPAYMENT METHODOLOGY

- * City of Dixon median household income = \$36,710
(1990 Census)
- * 80% of Median = \$29,368
- * Households with annual incomes of \$29,368 or less are "lower income"

* OVERPAYMENT FOR RENTERS

Renter Household Income By Gross Rent as a Percent of Income
in Dixon (1990 Census)

<u>Rent as % of Income</u>	<u>Renter Household Income</u>					<u>Total</u>
	<u>\$0- 9,999</u>	<u>\$10,000- 19,999</u>	<u>\$20,000- 34,999</u>	<u>\$35,000- 49,999</u>	<u>\$50,000 or more</u>	
0 - 19%	0	0	103	133	82	318
20 - 24%	0	10	126	76	0	212
25 - 29%	11	33	111	42	8	205
30 - 34%	0	40	18	0	0	58
35+ % 89	159	42	8	0	298	
Not Computed	28	22	0	0	0	50
TOTAL:	128	264	400	259	90	1,141

STEP 1: Total number of renter households with incomes of less than \$20,000 who are overpaying: $40 + 89 + 159 = \underline{288}$

STEP 2: Households with incomes in the third range (\$20,000-34,999) who are overpaying: $18 + 42 = \underline{60}$

STEP 3. Households in the third range who are both overpaying and below the lower-income household limit (\$29,368), calculation:

- A) $\$34,999 - \$19,999 = \$15,000$ (Total \$ in \$20,000-34,999 range.)
- B) $\$29,368 - \$19,999 = \$9,369$
(Income in \$20,000-34,999 range that is less than lower-income limit.)
- C) $\frac{9,369}{15,000} = .62$ (Fraction of income range below lower-income limit.)
- D) $60 \times .62 = \underline{37}$ (Prorated estimate of households below income limit.)

STEP 4: Total number of lower-income renter households paying 30% of income or more for gross rent: $288 + 37 = \underline{325}$

OVERPAYMENT FOR OWNERS

Owner Household Income by Selected
Monthly Housing Costs as a Percent of Income
(1990 Census)

Housing Cost as % of Income	Owner Household Income						Total
	\$0- 9,999	\$10,000- 19,999	\$20,000- 34,999	\$35,000- 49,999	\$50,000 or more		
0 - 19%	7	79	178	235	509	1,008	
20 - 24%	7	8	47	68	192	322	
25 - 29%	13	14	54	58	133	272	
30 - 34%	0	17	39	69	46	171	
35+%	44	75	150	71	9	349	
Not Computed	26	0	0	0	0	26	
TOTAL:	97	193	468	501	889	2,148	

STEP 1: Total number of owner households with incomes of less than \$20,000 who are overpaying: $17 + 44 + 75 = \underline{136}$

STEP 2: Households with incomes in the third range who are overpaying: 150

STEP 3: Households in the fourth range who are both overpaying and below the lower-income household limit (\$29,368), calculation:

A) $\$34,999 - \$19,999 = \$15,000$
(Total \$ in \$15,000-\$34,999 range.)

B) $\$29,368 - \$19,999 = \$9,369$
(Income in \$15,000-\$19,999 range that is less than lower-income limit.)

C) $\frac{9,369}{15,000} = .62$ (Fraction of income range below lower-income limit.)

D) $150 \times .62 = \underline{93}$ (Households below income limit.)

STEP 4: Total number of lower-income owner households paying 30% of income or more for housing (35% is the overpayment threshold for the 70% - 80% of median households):
 $136 + 93 = \underline{229}$

APPENDIX E

TEXT OF MEASURE "B"

APPENDIX E

TEXT OF MEASURE "B"

(Approved by Voters, April 8, 1986)

The proposed city ordinance reads as follows:

The people in the City of Dixon, County of Solano, do ordain as follows:

AUTHORIZATION TO THE DIXON CITY COUNCIL:

The people in the City of Dixon, County of Solano, hereby authorize the Dixon City Council to limit annual residential growth in the City of Dixon to a number of new dwelling units equal to 3% or less of the total number of housing units existing on December 31st of each prior calendar year, said limitation to begin in the year of adoption of this measure. (3% in 1986 would equal 100 units.)

Furthermore, said unit limit is intended to be designated within the limits of the City's General Plan Goals, Objectives and Policies, in order to arrive at an approximate mix of 80% single family housing units (including single family attached duplex units) to 20 % multiple dwelling units. The annual limit is subject to exceptions set forth in Section B.4, below, of PURPOSES AND FINDINGS, and an exclusion for Planned Developments and any Unit thereof, that received final City approval prior to the date of enactment of this measure, as set forth in Section B.5, below.

PURPOSES AND FINDINGS:

The people in the City of Dixon, County of Solano, hereby find as follows:

A. PURPOSE.

It is the purpose of this measure to augment the policies of this City as stated in its General Plan and Ordinances, regarding the regulation of residential development. To accomplish this purpose, the City needs to control its annual proposed residential development to achieve a balanced housing mix. It is the intent of the people of the City of Dixon to realize a steady, controlled rate of balanced residential annual growth. This controlled growth is to assure that the services provided by the City and other service agencies will be adequate in the foreseeable future. Services should be provided in such a way as to avoid overextension or scarcity of resources of existing facilities, to bring deficient services or facilities up to full operating standards, and utilize long range planning techniques to minimize the cost of the expansion of facilities to the public.

B. FINDINGS.

The people of the City of Dixon hereby find and declare as follows:

1. Regional Need for Housing. Dixon's share of the Housing Needs Determination of the San Francisco Bay Region, adopted by ABAG for the years 1980-1990 is stated therein as 866 units. The annual dwelling unit limit proposed by this measure exceeds this City's fair share as set forth in the ABAG's Regional Housing Needs Determination.

2. Housing Programs and Activities. (a) The City has formed a Redevelopment Agency, of which housing is an important component. The City plans to rehabilitate deteriorating housing, provide for

senior citizen housing and affordable housing in central Dixon. (b) The City has authorized self-help housing development of affordable housing. (c) The City has approved Watson Ranch PUD, which contains buildable site inventories for approximately 60 housing units. (d) The City has also approved a somewhat controversial development called Chardonnay PUD, which provides for 352 multiple housing units scheduled to be built over the next 3 years. (e) In addition, the City has approved Pitt School Village Planned Development.

3. Benefits to Public Health and Welfare. Dixon, now in the process of revising its General Plan, is faced with proposals for the annexation of land for residential development, which could add substantially to the population of the City of Dixon in the near future, if such were approved. But, at this time, Dixon is faced with drainage and flooding, traffic, school overcrowding and other services problems. Because City-used facilities for drainage, traffic and schools are already at or near capacity, our City may not have enough facilities and available resources to now provide for already approved development to be built, let alone areas proposed to be annexed.

Lack of downstream drainage capacity severely limits the current development potential of Dixon. Drainage improvements will be needed that involve substantial expenditures of public funds, time and resources, and planning and coordination with other agencies already severely restricted in their ability to commit their already burdened resources.

Total effects of proposed annexations on traffic generated will have severe impacts on existing downtown traffic congestion, not to mention air quality and noise levels.

Schools are presently at or over capacity and will be further impacted by new development.

In addition, irreversible environmental changes would include loss of agricultural land with Class 1 prime soils, in the City's immediate area, with no mitigation. Dixon is primarily an agricultural community. For all of the above stated reasons, Dixon must regulate its rate of growth and housing mix so that it can conserve its existing resources and facilities and adequately plan for additional growth at a rate that it can, hopefully, accommodate. The people of Dixon find that the annual rate of growth stated herein for development yet to be approved, with the exceptions and exclusions elsewhere set forth is, thus, necessary to promote the public health, safety and welfare of Dixon by the adoption of this measure.

4. Housing Mix and New Construction. A concern of the people of Dixon that relates to the number of dwelling units allowed to be built each year is housing and swelling unit mix. Recently, the City Council approved a large multiple unit dwelling complex that will alter the housing mix of the City of Dixon by some 352 units, and increase its multiple dwelling inventory by almost 50%. To adequately address community housing goals, consistent with the General Plan Housing Objectives, and in consideration of the provisions contained in this measure, the people of Dixon find that residential housing projects should be evaluated for their conformity with Dixon's housing mix goal of an approximate mix of 80% single family housing units (including single family attached duplex units) to 20% multiple dwelling units.

In cases where the number of new units to be built in any one year (being a number equal to 3% of the dwelling units existing in the City during the previous year) is found by the Council to be insufficient for a particular residential development project, when considered with other proposed units to be built during any one year, an exception may be made for a larger number of units in any one year, provided that (a) such exceptions do not occur more than two years in a row, and provided (b) in no case will the total number of units approved exceed the average of 3% per year over each consecutive five year period, and (c) that exceptions will be made only for the below-listed categories and criteria, as follows:

(i) Public Services. Where the cost of public services, utilities, infrastructure or school construction borne by a particular residential project and required by the City, are found by the Council, on the evidence presented to it, to prevent such project from being economically feasible, considering the number of dwelling units allowed to be built together with such public services, etcetera, an exception may be granted by the Council;

(ii) Regional/Community Housing Needs. Where, on the evidence presented, the Council finds it necessary to increase the number of residential units to be built in any one year above said 3% to meet regional/community housing needs, an exception may be made by the Council.

5. Approved Planned Development Redevelopment Exclusion. The people of the City of Dixon find that the provisions of this measure, including the limitation on the number of dwelling units to be constructed in one year, as above stated, and the mix of 80% single family to 20% multiple unit construction guideline above stated, shall not apply to the following: (a) Any Planned Development or Unit thereof, that received final approval by the City Council prior to the effective date of the enactment of this measure. (b) Housing projects in the Central Dixon Redevelopment Area.

6. Fiscal and Environmental Resources. The findings contained in Section B.3. of this measure are incorporated herein by reference, as fully as if set forth in detail. Fiscal and environmental resources of Dixon are limited, particularly after the passage of Proposition 13, and considering that the City cooperates with other agencies whose resources are also limited, for the provision of facilities and services, such as drainage, fire protection, water and school districts. Of course, the resource of prime agricultural land is irreplaceable. The people of Dixon desire that new development pay its own way; however, as stated above, generation of tax income for rapidly built residential units seldom keeps pace with the cost of providing services, and particularly where such services and facilities are already impacted.

7. Duration of this Measure. This measure and the provisions herein contained are intended to be included in appropriate elements of the 1985-1986 General Plan revision of the City of Dixon. This measure is to be in effect until the year 1996 when it will again be placed on the ballot at the regular City Council election for reconsideration by the voters; provided, however, that the City Council shall comply with the requirement of Government Code Section 65588.

U.C. BERKELEY LIBRARIES



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